YATES PETROLEUM CORPORATION Schenck ATP #1 Section 11-T16S-R35E Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

joints of drillpipe. TOOH with drillpipe. Nippled down BOP and changed out BOP's. Nippled up BOP.

1-21-2000 - TD 10522'. Washing to bottom. Nippled up and tested BOP and inside valves to 5000# and annular to 2500#. Rigged up 4" blooie line and 2" choke lines. Rigged up power tongs and picked up 30 3-1/2" drill collars. TIH with drillpipe. Installed rotating head rubber. Washed to bottom from 10427-10522'. 1-22-2000 - Drilling 10679'. NOTE: Drilling formation with rotary tools at 5:00 AM 1-21-2000.

TD 11700'. Reached TD at 1:00 PM 2-6-2000. Ran 42 joints of 3-1/2" 8.81% flush joint casing (1296.39') set at 11700'. Float shoe set at 11696'. Float collar (landing collar) at 11667'. Top of sleeve on hanger set at 10387'. Cemented with 25 sacks 65-35 Poz C, 6% gel and 4/10% FL50 (yield 2.55, weight 11.5). Tailed in with 65 sacks Class H, 9/10% FL50, 1% salt and 4/10% CD32 (yield 1.45, weight 13.6). PD 2:45 PM 2-9-2000. Circulated 17 sacks. Float and casing held okay. Released rig at 4:00 AM 2-10-2000. NOTE: Did not bump plug. Reverse circulated 17 sacks of cement to pit. Displaced liner with 2% KCL. Reverse circulated with mud.

Waiting on completion unit.

2-16-2000 - Moved in and rigged up pulling unit. TIH with bit and drill collars and tagged up at 10398'. Nippled up BOP. Picked up swivel.
2-17-2000 - Washed 1' and tagged solid. Rotated 10 minutes. Pick up and circulated out metal cuttings. TOOH. TIH with 2-3/4" blade bit, 1300' of 1-1/2" drillpipe and 2-7/8" tubing. Tagged top of liner. TIH and tagged up at 11533'. Washed down to 11679'. Displaced hole with 2% KCL. Pulled 25 stands. Shut well in.
2-18-2000 - TOOH with tubing and laid down 1-1/2" drillpipe. TIH with Baker polishing mill and tagged liner. Polished inside of liner bore. TOOH. Rigged up wireline.

mill and tagged liner. Polished inside of liner bore. TOOH. Rigged up wireline. TIH with logging tools and ran GR/CBL log. TOOH with logging tools and rigged down wireline. Shut well in.

2-19-2000 - TIH with Baker PBR seal assembly, 10' 2-7/8" P110 sub, 2.25" F nipple, 5-1/2" 10K Arrowset I packer with 2.25" on/off tool and 328 joints of 2-7/8" L-80 tubing. Sting into seal bore. Spaced out. Pressured tubing to 2000 psi with seals in bottom of seal bore. Picked up 2' and pressured to 2000 psi, OK. Set packer 2' off bottom of seal bore. Tested tubing to 4000 psi and held okay. Flanged up tree. Tested annulus to 2000 psi, OK. Swabbed tubing to 9500'. Rigged up wireline w/lubricator. TIH with 2-1/8" strip gun and perforated 11448-11460' w/78 .27" holes (6 SPF - Strawn). TOOH with gun and rigged down wireline. Swabbed. Shut well in.

2-20-2000 - Swab and flow tested. Shut well in.

2-22-2000 - Acidized perforations 11448-11460' (Strawn) with 2500 gallons of 15% iron control HCL acid. Swab and flowed. Shut we A in. Released well to production department.

Rusty Klein

Operations Technician February 23, 2000