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

## SUNDRY NOTICE CONTINUED:

7337'. Tagged 5-1/2" stub at 7980'. Circulated and conditioned mud. TOOH at report

1-6-2000 - TIH with 4-3/4" mill tooth bit and drill collars. TIH and went in top of 5-1/2" without problems. TIH and tagged up at 9955'. TOOH & stand back 3-1/2" drill collars. TIH with 7-5/8" OD dress off mill and drill collars. Tagged stub. Started dressing off top of stub. Milled off 5'. TOOH at report time.

1-7-2000 - TOOH and laid down drill collars. Changed rams in BOP to 5-1/2". Rigged up casing crew.

DETAILED CASING REPORT: Ran 189 joints of 5-1/2" 17# & 15.5# casing as follows: 1 joint 5-1/2" 17#; 36 joints of 5-1/2" 17#; 149 joints of 5-1/2" 15.5# and 3 joints of 5-1/2" 17# (Total 8015') of casing tied back into existing 5-1/2" casing at 7980'. Float collar set at 7940'. Cemented with 335 sacks "H" 65-35-6 (yield 1.97, weight 12.5) and 200 sacks "H" Neat (yield 1.18, weight 15.6). Dropped plug and displaced with mud. Bumped plug to 1300 psi, OK. Set C-22 slips with 85000#.

Cut off and nippled down BOP. Nippled up 11" 5000 X 7-1/16" 5000 tubinghead. WOC. 1-8-2000 - Nippled up 7-1/16" hydraulic BOP. TIH with bit and drill collars. Drilled out cement, float collar and shoe joint. Fell out of cement at 7985'. Circulated clean. Tested slip joint to 2000 psi for 15 minutes, OK. TIH and tagged up at 9920'. Washed down - piece of junk under bit. Washed to 10372' - solid. Probably retrievable packer. TOOH at report time.

1-9-2000 - Removed bit. TIH with 4-5/8" OD shoe with 3' extension. Tagged up at 10372'. Made 2' with shoe. TOOH and changed out shoe. TIH and milled on packer for 2 hours. Lost circulation. Pushed packer downhole to 10465'. Milled 1 hour. TOOH at report time. 1-10-2000 - TOOH and break off shoe - full of junk (packer shell & pieces of slips and cones). TIH with 4-3/4" smooth OD X 3-5/8" ID shoe, jars, drill collars and 20 stands of drillpipe. Shut down for 4 hours due to winds. TIH and tagged junk at 10465'. Pumped brine water. Milled on packer for 1-1/2 hour. Packer went downhole. Lost all fluid. Chased packer to 10590'. Rotated on packer for 30 minutes. TOOH. Had bottom of packer in shoe (3" box on bottom). No millout extension or plug. 1-11-2000 - TIH with 4-3/4" overshot with 3" grapple, 1 stand of collars, jars, 4 stands

of collars and drillpipe. Tagged up at 10590. Worked to 10592. Pulled 20 points over. Came loose with some drag. TOOH - nothing in shoe. Rigged up wireline. TIH with 4.625" gauge ring and junk basket to 10300'. TOOH. TIH with 5-1/2" cement retainer and set retainer at 10220'. TOOH. Rigged down wireline. TIH with stinger on drill pipe. Sting into retainer. Loaded annulus with brine water.

1-12-2000 - Pumped thru retainer at 6 BPM at 250 psi. Pumped 20 bbls spacer. Mixed and pumped 300 sacks Class H Neat (yield 1.18, weight 15.6) and 50 sacks "H" with 4/10%fluid loss. Squeezed to 2000 psi with 60 sacks in formation. Sting out of retainer.

Reversed out cement. TOOH. Shut well in. WOC.

Operations Technician January 13, 2000