

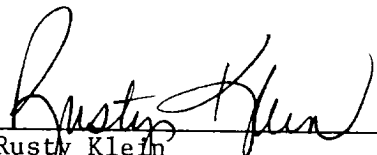
YATES PETROLEUM CORPORATION  
Arreguy AVM #1  
Section 25-T15S-R34E  
Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

8-20-2000 - TD 11418'. Drilling cement. Drilling cement from 11385-11418'.  
8-21-2000 - TD 11476'. TIH with bit #6. Drilled cement from 11418-11476'. TOOH  
with bit #6. Break down junk basket. TIH with bit #6.  
8-22-2000 - TD 11574'. Drilling cement. Washed 15' to bottom. Drilled cement from  
11476-11574'.  
8-23-2000 - Drilling 11681' lime and shale. Drilled cement from 11418-111433'.  
Started drilling.

TD 13405'. Reached TD at 8:00 AM 9-21-2000 (4-3/4" hole). Ran 434 joints of 3-1/2"  
9.5# casing as follows: 87 joints of 3-1/2" 9.3# flush joint casing (2577.94') and  
347 joints of 3-1/2" 9.3# P-110 casing (10832.54') (Total 13410.48') of casing set at  
13397'. Float shoe set at 13397'. Float collar set at 13367'. Cemented with 540  
sacks Class H, .3% BA-10, .5% CD-32, .2% SMS, 1% FL-62 and 7% KCL (yield 1.19, weight  
15.6). PD 6:00 AM 9-24-2000. Bumped plug to 3600# for 1 minute, OK. WOC. NOTE:  
Changeover at 10819'. Displaced casing with 7% super fluid. Released rig at 10:00 AM  
9-24-2000.

Waiting on completion unit.

  
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Rusty Klein  
Operations Technician  
December 8, 2000