YATES PETROLEUM CORPORATION Quay AQU State #1 Section 10-T23S-R33E Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

weight. TOOH. Twisted off 2 joints above drill collars. Left 2 joints of 2-7/8" with upset looking up and 6 drill collars. Top of fish at 10924'. 2-17-97 - TIH with 5-3/4" X 3-3/32" overshot. Picked up fish. Laid down 349 joints of 2-7/8" L-80 tubing. Prep to change out tubing string. 2-18-97 - TIH with $6^{4}-3/4''$ drill collars and 6-1/2'' bit. Picked up 300 joints of 2-7/8" CS N-80 6.5# hydril tubing. Shut down for night. 2-19-97 - Continue to pick up tubing and tagged at 11161'. Rigged up swivel and stripper head. Drilled and pushed remainder of CIBP to 11185'. 2-20-97 - Washed and drilled from 11185-11192'. TOOH. Bit lost 1 cone and shank (1/3 of bit is gone). TIH with 5-1/2" OD magnet with cutlip guide on 1 stand of drill collars and 92 stands of tubing. 2-21-97 - Continue TIH with 5-1/2" magnet. Tag top of fish at 11194.53'. Rigged up swivel and stripper head. Broke circulation and rotated slowly touching fish several times. Gained 30# pump pressure. Torque increased 100# while setting 4 points of fish. Circulated bottoms up. POOH with tubing and drill collars. Recovered 2 small pieces of steel. Shut down for night. 2-22-97 - TIH with 6" shoe dressed to 6-3/8" OD with diamonds and wires. Tagged fish at 11194'. Worked shoe down 8'. TOOH. 2-23-97 - TIH with 6" impression block to fish at 11194'. TOOH. Impression block shows 2-3/8" OD ragged piece looking up. TIH with 6-1/8" overshot with 2-3/8" grapple, drill collars, jars and tubing. Latched onto fish at 11194'. Fish was loose, but dragging coming out of hole. TOOH til dark. 2-24-97 - TOOH. Had fish in overshot. Fish consistd of 10-1/2 joints of 2-3/8" tubing and seating nipple. Broke overshot apart. Did not have cone or bit shank inside. TIH with 6-3/8" shoe. Tagged up at 11450'. Worked shoe down to 11472'. Shut down for night. 2-25-97 - Work shoe on bottom at 11450'. Could not make any more hole. TOOH. TIH with 6-3/8" shoe with cutrite on bottom and inside of ID, 8' extension, 30' of washpipe, drill collars and tubing. Tagged up at 11450'. Rigged up power swivel. Drilled down with shoe to 11490'. Shut down for night. 2-26-97 - Tagged at 11485' with shoe and washed down over junk to 11492'. Circulated bottoms up. Shut down due to ice storm. 2-27-97 - Continued washing over junk from 11492' to CIBP at 11600'. Cut over CIBP at 11600' with shoe. Circulated clean. TIH to 11759'. Closed rams and pressured casing to 1500# to test perforations 11704-11710', 11712-11718' and 11720-11725'. Pressure bled off 300# in 10 minutes. Did same bleed off at 1900#. TIH with shoe. Tagged at 11919'. Worked shoe over junk. POOH. 2-28-97 - TIH with bit #5. Rigged up swivel and stripper head. Drilled remainder of CIBP from 11919-11942'. 3-1-97 - Rigged up steel hoses, choke valve on blow down line and did some miscellaneous plumbing prior to drilling CIBP over Wolfcamp. Drilled at 11942-11943' for 4 hours. POOH with bit. 3-2-97 - TIH with 5-3/4" shoe, 10' long with diamonds and wires dressed to 6-1/2" OD. Talley in hole and check depth - 1.89 different - no correction. Tagged with shoe at 11944.71'. Washed over junk from 11944.71-11961'. TOOH. 3-3-97 - TIH with 5-3/4" double globe basket with skirt dressed to 6-1/2". Worked over 1-1-1/2' of junk. Swivel torqued up and stalled out at 1800# torque. Picked up and lost 25K weight. Circulated clean. TOOH. Left 76 stands tubing and BHA in hole. Top of fish is a split collar. TIH with 5-3/4" overshot with 3-1/4" grapple