

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

SONDRY NOTICE CONTINUED:

3-13-97 - Continued RIH with 20 stands. Rigged up stripper head and swivel. Drilled 8" of CIBP in 1 hour. Circulate 1 hour. Drilled on CIBP 1 hour. Did not make any more hole.

3-14-97 - Set 2nd mud pit and plumbed into system. Installed Drillco degasser. Conditioned mud on surface.

3-15-97 - Continued drilling on CIBP at top of liner at 11976'. TOOH with bit. Laid down BHA. Picked up 3-5/8" bit, bit sub, 6 3-1/8" drill collars, crossover and 85 joints of 2-3/8" tubing. TIH with 2-7/8" tubing. Worked into liner. TIH with tubing and tagged at 12998'. Drilled 1/2 hr on CIBP at 12998'.

3-16-97 - Could not regain circulation with mud. TOOH to unplug bit. Found bottom drill collar plugged. Could not unplug. Laid down drill collar. TIH with 3-5/8" bit. Circulated out heavy mud with brine water.

3-17-97 - Continued circulating. TIH to CIBP at 12998'. Reverse circulated 225 bbls water. Circulate via tubing. Switched to reverse and start drilling on CIBP. Plug turned loose and moved to 13020'. Circulate bottoms up. Attempted to push CIBP to bottom. Drilled on CIBP at 13020'. Kept working to get to 13090'. Drilled for 1/2 hour and lost 11 points and swivel stalled. Circulate bottoms up.



Rusty Klein
Operations Technician
March 18, 1997