

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

SUNDRY NOTICE CONTINUED:

clean.

2-6-97 - TIH from 7218' and tagged at 8340'. Drilled unexpected cement plug from 8340-8809'. Ran 5 joints tubing and tagged at 8963'. Circulated clean.

2-7-97 - Drilled cement from 8963-9482'. Circulated clean. TOOH and laid down 6-1/2" blade bit. TIH with 6-1/2" cone bit to 9482'. Cleaned reverse pit and load frac tank and reverse tank with 10# brine.

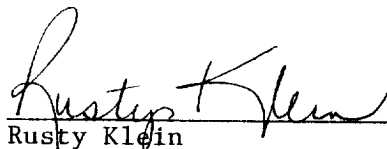
2-8-97 - Displaced hole with 385 bbls 10# brine at 9482'. Drilled cement from 9482-9590'. Circulated 15 minutes to clean tubing. Drilled CIBP from 9590-9592'. Circulated 2 hours. Installed TIW valve on tubing and closed rams. Established injection rate into perforations 9645-9920' of 1 BPM at 1580#. Ran tubing to 9954'. POOH with 30 stands. Shut in overnight.

2-9-10-97 - Continued POOH with drill collars and bit. Rigged up wireline. Ran 6.343" OD gauge ring to 9650'. Ran 7-5/8" cement retainer on wireline and set at 9575'. TIH with setting tool and sting into retainer. Pulled out of retainer and pumped 10 bbls brine to load hole. Pressured annulus to 1000#. Established injection rate of 1.5 BPM at 1500#. Squeezed perforations 9645-9920' with 200 sacks "H" and 5/10% FL52 to 3000# with 190 sacks below tool. Reversed out 1-1/2 bbls cement. Laid down 12 joints of tubing. WOC.

2-11-97 - TOOH with setting tool. TIH with 6-1/2" skirted varal mill tooth bit. Drilled 4' of cement on top of retainer and drilled 2' of retainer. Still getting casts, but retainer should be all but gone.

2-12-97 - Continued drilling cement retainer at 9580'. Drilled cement to 9714'. Circulated clean. Shut down for night.

2-13-97 - Drilled cement to 9725'. Tested perforations 9645-9664' to 1500# for 15 minutes - no bleed off. Continued drilling cement to 9918'. Fell out of cement and ran tubing to 9954'. Tested all perforations 9645-9920' to 1500# for 10 minutes - no bleed off.



Rusty Klein  
Operations Technician  
February 17, 1997