YATES PETROLEUM CORPORATION Scout EH Federal #2 Section 27-T18S-R25E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

If casing is not free, will plug and abandon as follows:

14. Spot a 35 sack plug at 7500' to plug Canyon perforations. WOC. Tag this plug at 7450' or higher. Respot if necessary.

15. Perforate 8 holes in the 4-1/2" casing at the following depths:

- 5518' Wolfcamp top
- 4196' Abo top
- 2082' Glorieta top
- 1105' 8-5/8" casing shoe
- 280' 12-3/4'' casing shoe depth

Using packer, pump 35 sacks of cement through each set of perforations. Tag cement plug across 8-5/8" casing shoe before moving up.

16. Spot a 15 sack cement plug at surface.

17. Install regulation abandonment marker.

NOTIFY BLM-CARLSBAD (505-887-6544) 24 HOURS PRIOR TO COMMENCING PLUGGING OPERATIONS

Rust

Rusty Klefh' F Operations Technician October 7, 1999