YATES PETROLEUM CORPORATION Walt Canyon AMA Federal #2 Section 3-T22S-R24E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

TO:

14 3/4" hole with 9 5/8" 36# J-55 LT&C casing set at 1,600' 8 3/4" hole with 7" casing set at 10,500' as follows: 7" 26# L-80 LT&C set from 0-1,400' 7" 26# J-55 LT&C set from 1,400'-7,000' 7" 26# N-80 LT&C set from 7,000'-9,300' 7" 26# S-95 LT&C set from 9,300'-10,500'

A 3000 psi BOP system will be nippled up and tested on the 9 5/8" casing.

CEMENT PROGRAM:

9 5/8" 36# casing will be cemented with 900 sx Lite (yield 2.0, weight 12.0) and tailed in with 300 sacks Class C with 2% CaCl2 (yield 1.32 weight 14.8)

7" 26# casing will be a 2-stage cement job as follows: DV tool set at 6,000'

Stage 1: 500 sacks Super C Modified (yield 1.67, weight 12.0)

Stage 2: 600 sacks Lite (yield 2.0, weight 12.0). Cement will be tied back 500' inside of surface casing.

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Cory Frederick Drilling Engineering Tech March 20, 2000