

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

OCD-ARTESIA

RECEIVED

JUN 26 2006

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM NM 112245
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator MURCHISON OIL & GAS, INC.		7. If Unit or CA Agreement, Name and No.
3a. Address 1100 MIRA VISTA BLVD. PLANO, TX. 75093-4698		8. Lease Name and Well No. 35814 RED TANK FED COM #2
3b. Phone No. (include area code) (972) 931-0700		9. API Well No. 30-015-34986
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 990' FNL & 760' FEL At proposed prod. zone		10. Field and Pool, or Exploratory PENASCO DRAW MORROW
14. Distance in miles and direction from nearest town or post office* 14 MILES SW OF ARTESIA, NM.		11. Sec., T. R. M. or Blk. and Survey or Area SEC. 35, T18S, R24E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 760'	16. No. of acres in lease 120	17. Spacing Unit dedicated to this well N/2 SEC. 35
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 3860'	19. Proposed Depth 9000'	20. BLM/BIA Bond No. on file NM 2163
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3683 GL 3700 KDB	22. Approximate date work will start* 08/01/2006	23. Estimated duration 30 DAYS

24. Attachments Roswell Controlled Water Basin

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Michael S. Daugherty</i>	Name (Printed/Typed) MICHAEL S. DAUGHERTY	Date 05/08/2006
Title VICE PRESIDENT OPERATIONS		

Approved by (Signature) <i>/s/ James Stovall</i>	Name (Printed/Typed) <i>/s/ James Stovall</i>	Date JUN 22 2006
Title ACTING FIELD MANAGER		Office CARLSBAD FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Witness Surface Casing.

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 82770	³ Pool Name PENASCO DRAW MORROW
⁴ Property Code	⁵ Property Name RED TANK FEDERAL	⁶ Well Number 2
⁷ OGRID No. 015363	⁸ Operator Name MURCHISON OIL AND GAS, INC.	⁹ Elevation 3683

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	35	18-S	24-E		990	NORTH	760	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acre 320	¹³ Joint or Infill INFILL	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	<p>LAT N32.70923 LON W104.55277</p>	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Michael S. Daugherty</i> 4/24/06 Signature Date</p> <p>MICHAEL S. DAUGHERTY Printed Name</p>
		<p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>FEBRUARY 27, 2006 Date of Survey</p> <p><i>DAN R. REDDY</i> Signature and Seal of Professional Surveyor</p> <p>DAN R. REDDY REGISTERED LAND SURVEYOR ENGINEER Certificate Number 5412 PROFESSIONAL DAN R. REDDY NM PE & PS NO. 5412</p>



VIA CERTIFIED MAIL

MURCHISON OIL & GAS, INC.
MURCHISON PROPERTIES, INC.

May 8, 2006

United States Department of the Interior
Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220

**Re: Application for Permit to Drill
Murchison Oil & Gas, Inc.
Red Tank Federal Com #2
Eddy County, New Mexico
Lease No. NM NM 112245**

Gentlemen:

Murchison Oil & Gas, Inc. "MOGI" respectfully requests permission to drill our Red Tank Federal Com #2 located 990' FNL and 760' FEL of Section 35, T18S, R24E, Eddy County, New Mexico, Federal Lease No. NM NM 112245. The proposed well will be drilled to a TD of approximately 9000' (TVD). The location and work area have been staked. It is approximately 14 miles SW of Artesia, NM.

In accordance with requirements stipulated in Federal Onshore Oil and Gas Order No. 1 under 43 CFR 3162.1, our Application for Permission to Drill and supporting evidence is hereby submitted.

I. Application for Permit to Drill:

1. Form 3160-3, Application for Permit to Drill.
2. Form C-102 Location and Acreage Dedication Plat certified by Gary Eidson Registered Land Surveyor No. 12641 in the State of New Mexico, dated February 27, 2006.
3. The elevation of the unprepared ground is 3683 feet above sea level.
4. The geologic name of the surface formation is Permian Rustler.
5. Rotary drilling equipment will be utilized to drill the well to TD 9000' (TVD), and run casing. This equipment will then be rigged down and the well will be completed with a pulling unit.
6. Proposed total depth is 9000' TVD.

7. Estimated tops of important geologic markers. (KDB EST @ 3700')

San Andres	544'	TVD
Glorieta	1874'	TVD
Yeso	1984'	TVD
Abo	3874'	TVD
Wolfcamp	4944'	TVD
Upper Bursum	6212'	TVD
Middle Bursum	6494'	TVD
Lower Bursum	6504'	TVD
Cisco	6569'	TVD
Canyon	7339'	TVD
Strawn	7559'	TVD
Atoka	7864'	TVD
Morrow "A"	8594'	TVD
Morrow "C"	8614'	TVD
Base Penn.	8657'	TVD
Total Depth	9000'	

8. Estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered:

Primary Objective: Morrow 8594' TVD

Secondary Objectives: Bursum 6212' TVD

9. The proposed casing program is as follows:

Surface: 13-3/8" OD 48# H40 ST&C casing set at 360'

1st Intermediate: 9-5/8" OD 47# N80 ST&C casing from surface to 1150'

Production Casing: 5-1/2" OD 17# S-95 & L-80 LT&C from surface to 9000'

10. Casing setting depth and cementing program:

- A. 13-3/8" surface casing set at 385', or the top of the Rustler Anhydrite, in 17-1/2" hole. Circulate cement with 300 sx of Class C cement with additives.

If cement does not circulate, a temperature survey will be run to find the TOC and then finish cementing to surface through 1" using Class C with 2% CaCl₂.

- B. 9-5/8" 1st intermediate casing set at 1150' in 12-1/4" hole. Circulate cement with 600 sxs Class C with additives.

If hole conditions dictate, a DV tool may be run to ensure that the intermediate string is cemented to surface.

If cement does not circulate, a temperature survey will be run to find the TOC and then finish cementing to surface through 1" using Class C with 2% CaCl₂.

- C. 5-1/2" Production Casing will be set if warranted from surface to TD in a 8-3/4" hole. Cement with 900 sx of Class "H" with additives.

11. Pressure Control Equipment

0' – 360'	None
360' – 1150'	13-3/8" 3000# ram type preventers with one set blind rams and one set pipe rams.
1150' – 9000'	11" 5000# ram type preventers with one set blind rams and one set pipe rams and a 3000# annular type preventer. A choke manifold and 120 gallon accumulator with floor and remote operating stations and auxiliary power system. Rotating head below 6000'. See attached Sketch of BOP Equipment.

A kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor.

After setting the 9-5/8" casing, the blowout preventers and related control equipment shall be pressure tested to 5000 psi and 3000 psi respectively. Any equipment failing to test satisfactorily shall be repaired or replaced. Results of the BOP test will be recorded in the Driller's Log.

The BOP's will be maintained ready for use until drilling operations are completed.

BOP drills will be conducted as necessary to assure that equipment is operational and each crew is properly trained to carry out emergency duties.

Accumulator shall maintain a pressure capacity reserve at all times to provide for the close-open-close sequence of the blind and pipe rams of the hydraulic preventers.

12. Mud Program:

- | | |
|---------------|--|
| 0 – 360' | Fresh water/native mud. Wt. 8.4 ppg, vis 32-34 sec, Caustic for pH control. Paper for seepage. Lost circulation may be encountered. |
| 360' – 1150' | Fresh water 8.4 ppg, vis 28-29 sec. Add 10# brine <i>No brine allowed prior to 9 5/8" casing</i>
as make-up to avoid excessive washouts in salt stringers. Caustic for pH control. Paper for seepage. Lost circulation may be encountered. |
| 1150' – 5200' | Fresh water. Wt. 8.4 ppg, vis 28-29 sec, caustic for pH control. Paper for seepage. No water loss control. <i>To depth 66'</i> |
| 5200' – 8000' | Cut brine. Wt. 9.2 – 9.4 ppg, vis 28-29 sec, caustic for pH control. 25 cc water loss control. |
| 8000' – 9000' | Mud up with an XCD Polymer mud system with the following characteristics: Wt. 9.2 – 9.4 ppg, Vis 32-40 sec, WL 6-8cc. |

Mud system monitoring equipment with derrick floor indicators and visual/audio alarms shall be installed and operative prior to drilling into the Wolfcamp formation. This equipment will remain in use until the production casing is run and cemented. Monitoring equipment shall consist of the following:

- 1) A recording pit level indicator.
- 2) A pit volume totalizer.
- 3) A flowline sensor.

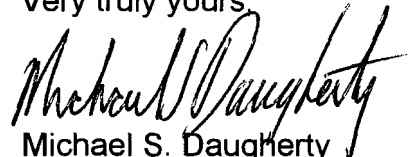
13. Testing, Logging and Coring Program:

- A. Testing program: None.
- B. Mud logging program: Two man unit from 1150' to TD.
- C. Electric logging program: CNL/LDT/CAL/GR, DLL/CAL/GR.
- D. Coring program: Possible sidewall rotary cores.

14. No abnormal temperatures, or H₂S gas are anticipated. Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely.

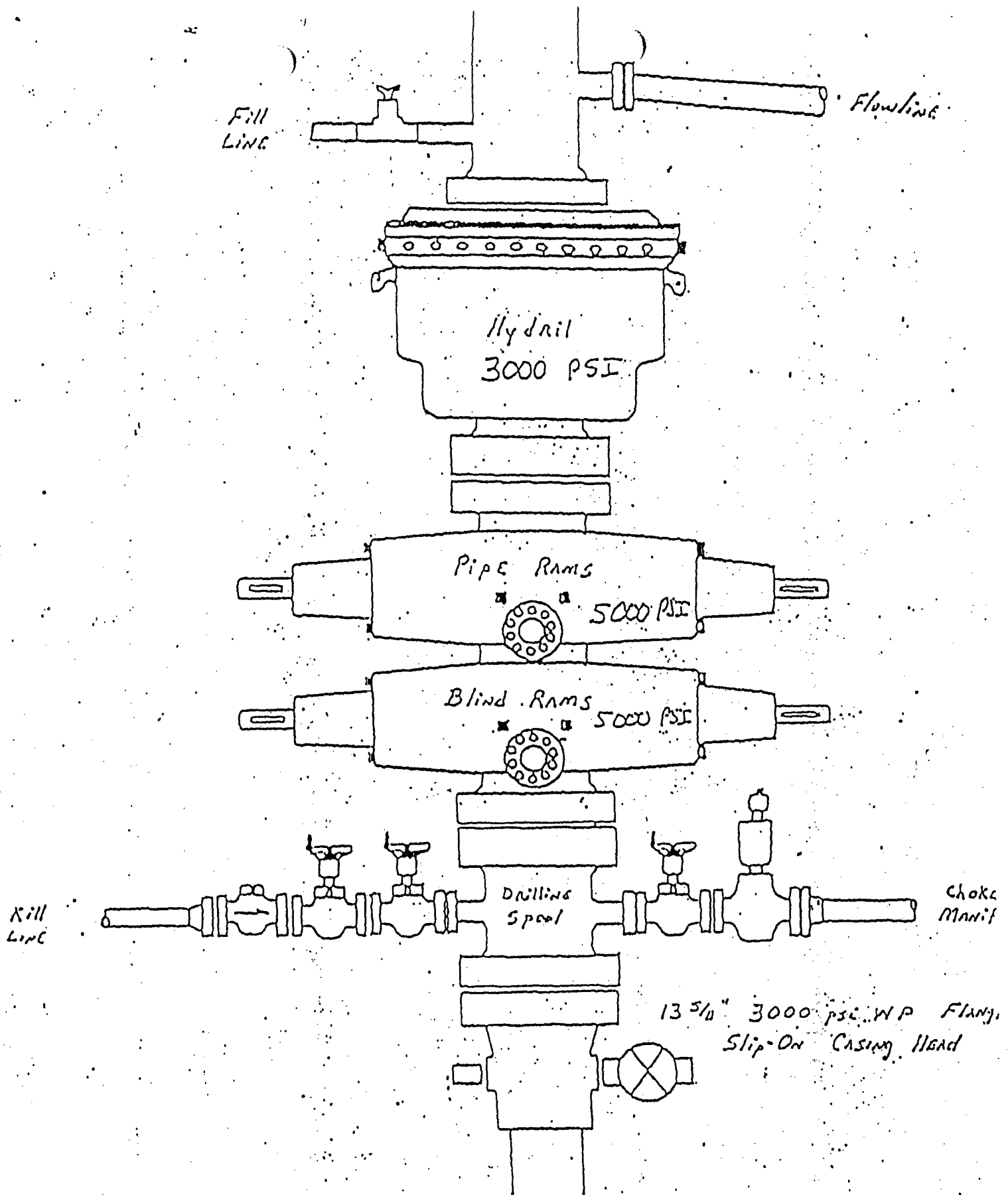
15. Anticipated starting date is August 1, 2006. It should take approximately 28 days to drill the well and another 10 days to complete.
16. A statement accepting responsibility for operations is attached.
17. The Multi-Point Surface Use & Operation Plan is attached.
18. If the Bureau of Land Management needs additional information to evaluate this application, please advise.

Very truly yours,

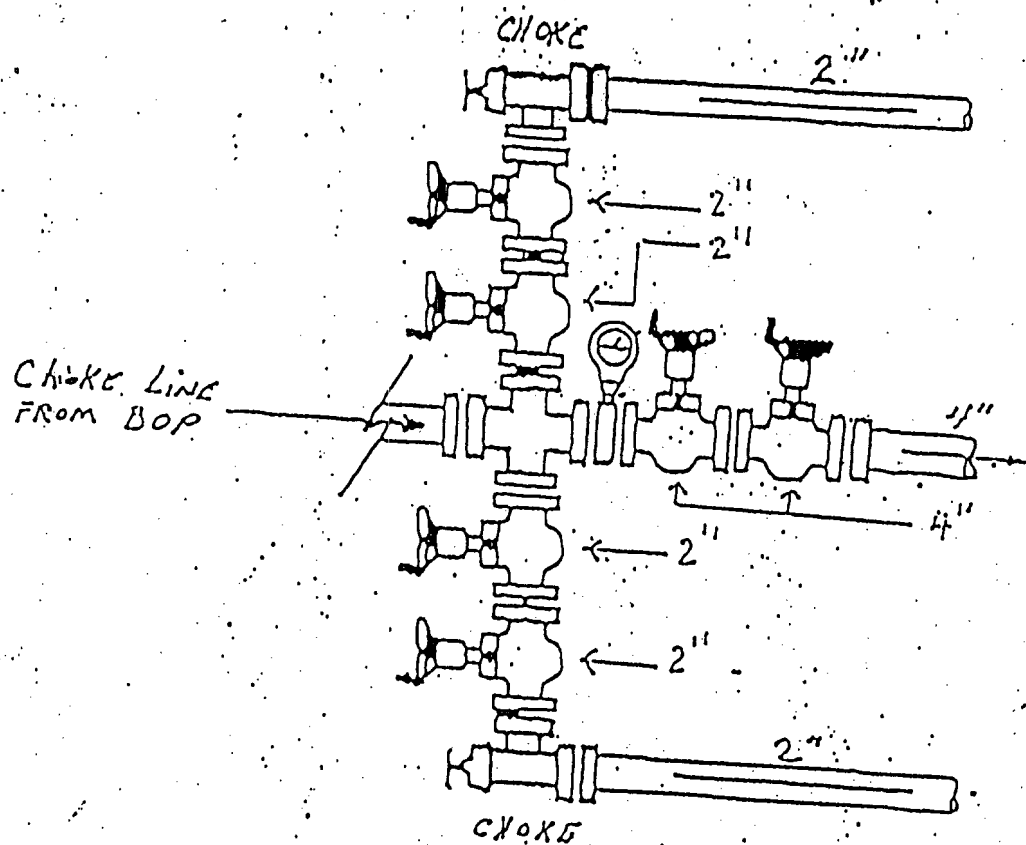

Michael S. Daugherty
Vice President, Operations

MSD/cb/RedTankFdCm#2-BLM-APTD

Attachments



MURCHISON OIL & GAS, INC.
 RED TANK FED COM #2
 990' FNL & 760' FEL
 SEC. 35, T18S, R24E
 EDDY CO., NM.



MURCHISON OIL & GAS, INC.
 RED TANK FED COM #2
 990' FNL & 760' FEL
 SEC. 35, T18S, R24E
 EDDY CO., NM.

**RED TANK FED COM #2
SEC. 35, T18S, R24E
990' FNL & 760' FEL
EDDY CO., NM.**

GENERAL LOCATION: FROM HWY 285 BETWEEN MILE MARKER 60 AND 61 TURN WEST ON COUNTY ROAD #38 (KINCAIDE ROAD). STAY ON CR #38 UNTIL PAVEMENT ENDS APPROXIMATELY 3.7 MILES. GO THROUGH CATTLE GUARD ON TO CLICHÉ ROAD AND TRAVEL APPROXIMATELY 2.4 MILES, PASS OVER THIRD CATTLE GUARD ROAD SPLITS, TURN RIGHT ON CLICHÉ ROAD DOWN FENCE LINE. YOU WILL TRAVEL WEST ON CLICHÉ ROAD FOR 4 MILES AND TURN RIGHT (NORTH) THROUGH CATTLE GUARD, TRAVEL 1 MILE. GO THROUGH CATTLE GUARD AND TURN LEFT (WEST) AND ROAD WILL CURVE TO RIGHT (NORTH) FOR 8/10 MILE TURN RIGHT (EAST) FOR 200' TO LOCATION.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

MURCHISON OIL & GAS, INC.
RED TANK FEDERAL COM #2
EDDY COUNTY, NEW MEXICO
LEASE NO. NM NM 112245

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to identify the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal may be made of the environmental effects associated with the operation.

The well, and work area have been staked by a registered New Mexico land surveyor. Daniel Boone in Carlsbad, NM has been engaged to make an archaeological reconnaissance of the work area. Their findings concerning cultural resources will be reported to the Bureau of Land Management.

1. Existing Roads

A copy of a Access Road Easement Plat is attached showing the proposed location. The well location is spotted on this map, which also shows the existing road system.

2. Planned Access Road

- A. An existing lease access road will be used to gain access to location. About 100' feet of new lease road will have to be constructed.
- B. Surfacing material: Six inches of caliche and water, compacted and graded.
- C. Maximum Grade: Less than 3%
- D. Turnouts: None needed.
- E. Drainage Design: N/A.
- F. Culverts: None needed.
- G. Cuts and Fills: Leveling the location will require minimal cuts or fills.
- H. Gates or Cattleguards: None required.

3. Existing wells within a one mile radius of the proposed development well are shown on the attached map.
4. Location of Existing and/or Proposed Facilities
 - A. If the well is productive, production facilities will be constructed on the well pad. The facility will consist of a stack pack, one 300 bbl oil tank and one 300 bbl fiberglass water tank. All permanent above ground facilities will be painted in accordance with the BLM's painting guidelines simulating the color of sandstone brown.
 - B. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to and a site security plan will be submitted for the Red Tank Fed Com #2 tank battery. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.
5. Location and Type of Water Supply

Fresh water and brine water will be used to drill this well. It will be purchased from a supply in or near wellsite and transported to the well site.
6. Source of Construction Materials

Caliche for surfacing the well pad will be obtained from a Federal pit located in Eddy County, New Mexico.
7. Method of Handling Waste Disposal
 - A. Drill Cuttings will be disposed of in drilling pits. A NMOCD Form C-144 Pit Permit is attached further describing reserve pit construction and location of ground water, waterways and water wells.
 - B. Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.
 - C. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.

- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
 - E. Trash, waste paper, garbage and junk will be collected in steel trash bins and removed after drilling and completion operations are completed. All waste material will be contained to prevent scattering by the wind.
 - F. All trash and debris will be removed from the wellsite within 30 days after finishing drilling and/or completion operations.
8. Ancillary Facilities
- A. None needed.
9. Wellsite Layout
- A. The location and dimensions of the well pad, mud pits, reserve pit and location of major rig components are shown on the attached well site layout sketch. The V-door will be to the East and the reserve pit located to the North.
 - B. Leveling of the wellsite will be required with minimal cuts or fills anticipated.
 - C. The pad and pit area has been staked and flagged.
10. Plans for Restoration of the Surface
- A. After completion of drilling and/or completion operations, all equipment and other materials not needed for operations will be removed. The location will be cleaned of all trash and junk to leave the well site in as aesthetically pleasing condition as possible.
 - B. Any unguarded pits containing fluids will be fenced until they are filled.
 - C. After abandonment of the well, surface restoration will be in accordance with the land owner. This will be accomplished as expeditiously as possible.

11. Other Information

- A. Topography: The location is rolling hills. Ground Level elevation is 3683' feet.
- B. Soil: Sandy clay loams.
- C. Flora and Fauna: The vegetative cover is generally sparse consisting of mesquite, yucca, shinnery oak, sandsage and perennial native range grasses. Wildlife in the area is also sparse consisting of coyotes, rabbits, rodents, reptiles, dove and quail.
- D. Ponds and Streams: None.
- E. Residences and Other Structures: There are no occupied dwellings within a 1 mile radius of the location.
- F. Archaeological, Historical and Cultural Sites: An Archaeological Consultant who is acceptable to the BLM will be engaged to make an archaeological reconnaissance of the work area.
- G. Land Use: Cattle ranching.
- H. Surface Ownership: The surface is private land owned by Yates Petroleum, 105 South Fourth St., Artesia, NM. 88210. They will be notified of our intention to drill prior to any activity.

Upon completion of the well, the reserve pit and burn pit will be closed in accordance with the New Mexico Oil Conservation Division Guidelines.

All garbage and debris left on site will be removed within 30 days of the final completion. The well site, if a producer, will be maintained and kept clean of all trash and litter which detracts from the surrounding environment. Equipment will be maintained in accordance with good operating practice.

After the wellsite is cleaned and pits and sumps closed, any obstruction to the natural drainage will be corrected by ditching or terracing. All disturbed areas, including any access road no longer needed, will be ripped. Those areas will be reseeded with grass if, in the opinion of the land owner, it is required.

12. Operator's Representatives

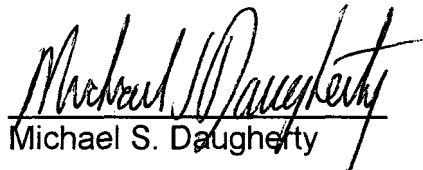
The Field representatives responsible for assuring compliance with the approved surface use and operations plan are as follows:

Michael S. Daugherty
1100 Mira Vista Blvd.
Plano, TX. 75093-4698
Office Phone: (972) 931-0700
Home Phone: (972) 618-0792

Randy Ford
415 W. Wall St., Ste. 1700
Midland, TX. 79701
Office Phone: (432) 682-0440
Cell Phone: (432) 559-2222

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by MOGI and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.


Michael S. Daugherty

4/24/2006
Date

Vice President, Operations
Murchison Oil & Gas, Inc.

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-1287

Statement Accepting Responsibility for Operations

Operator Name: MURCHISON OIL & GAS, INC.
Street or Box: 1100 MIRA VISTA BLVD.
City, State: PLANO, TX.
Zip Code: 75093-4698

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: NM NM112245

Legal Description of Land: N/2 NE & NE/NW
SECTION 35, T18S, R24E

Formation (s) (if applicable): FROM THE SURFACE DOWN TO 9000'

Bond Coverage (State if individually bonded or another's bond):
PERSONAL STATEWIDE BOND

BLM Bond File No.: NM2163


Authorized Signature: 
MURCHISON OIL & GAS, INC.

Title: MICHAEL S. DAUGHERTY
VICE PRESIDENT OPERATIONS

Date: 4/24/2006

CONDITIONS OF APPROVAL - DRILLING

Operator's Name: Murchison Oil & Gas Inc.
Well Name & No: Red Tank Fed Com No. 02
Location: Surface 990' FNL & 660' FEL, Sec.35, T. 18 S. R. 24 E.
Lease: NMNM 112245
Eddy County, New Mexico

76.0' 

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I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at the Roswell Field Office, 2909 West Second St., Roswell, NM 88201, (505) 627-0272 for wells in Chaves and Roosevelt Counties; the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822 for wells in Eddy County; and the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (505) 393-3612 for wells in Lea County, in sufficient time for a representative to witness:

A. Spudding

B. Cementing casing: 13 3/8 inch; 9 5/8 inch; 5 1/2 inch.

C. BOP Tests

2. A Hydrogen Sulfide (H₂S) Drilling Plan is not required for this well bore.

3. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

4. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15 day time frame.

5. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.

II. CASING:

1. The 13 3/8 inch shall be set at 800 Feet with cement circulated to the surface. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.

2. The minimum required fill of cement behind the 9 5/8 inch Intermediate casing is to circulate to surface.

3. The minimum required fill of cement behind the 5 1/2 inch Production casing is to place TOC above the Top of the Wolfcamp formation.

III. PRESSURE CONTROL:

1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the 13 3/8 inch casing shoe and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.

(III Cont):

2. Minimum working pressure of the blowout preventer and related equipment (BOPE) shall be 2,000 psi.

3. The appropriate BLM office shall be notified in sufficient time for a representative to witness the test.

- The test shall be done by an independent service company
- The results of the test shall be reported to the appropriate BLM office.
- Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures.
- Use of drilling mud for testing is not permitted since it can mask small leaks.
- Testing must be done in safe workman-like manner. Hard line connections shall be required.
- Both low pressure and high pressure testing of BOPE is required.

G. Gourley RFO 5/11/06