July 26, 2004

Mr. Bryan Arrant New Mexico Oil Conservation Division 1301 W. Grand Avenue Artesia, New Mexico 88210

Subject:

Preston Exploration, LLC Roughneck Red 29 #1 Section 29, T17S, R26E Eddy County, New Mexico

Dear Bryan:

The BOP pipe rams will be function-tested on a daily basis. The blind rams will be function-tested on all trips due to the close proximity of dwellings. This of course will follow the standard NU and testing of the BOPE.

Sincerely,

Randell K. Ford

RKF/sn