ATTATCHMENT TO EXHIBIT #2

Notes Regarding The Blowout Preventers
Chalk Bluff "35" Federal #1
Lease # LC-057798
1980' FSL & 1980' FEL
Section 35 - T17S - R27E
Eddy County, New Mexico

- 1. Drilling nipple (bell nipple) to be so constructed that it can be removed without the use of a welder through the rotary table opening, with minimum I. D. equal to the preventer bore.
- 2. Blowout preventer and all fittings must be in good condition, 3,000 psi W. P. minimum.
- 3. Saftey valve must be available on rig floor at all times with proper connections; valve to be full bore 3000 psi W. P. minimum.
- 4. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
- 5. Kelly cock on kelly.
- 6. Blowout preventer closing equipment to include minimum 40 gallon accumulator, two independent sources of pump power on closing unit, and meet all API specifications.