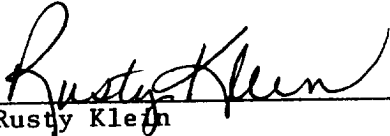


YATES PETROLEUM CORPORATION  
Box Canyon 34 ATN Federal #1  
Section 34-T20S-R21E  
Eddy County, New Mexico

BOP EQUIPMENT CHANGES:

From: The BOPE will be hydraulically tested per BLM requirements outlined by Onshore Order #2. Pipe rams and blind rams will be functioned on each trip out of the hole. All BOPE checks and tests will be witnessed by RIO's representative and will be noted on the IADC daily drilling report. Accessories to BOPE will include an upper kelly cock, lower kelly cock and floor safety valve; all with pressure rating equivalent to the BOP stack.

To: BOPE will be installed on the 8-5/8" casing and rated for 3000 psi BOP and will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under the intermediate casing once it is set and in place. BOP controls will be installed prior to drilling new formation below the intermediate casing and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. A schematic of the BOP is attached.

  
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Rusty Klein  
Operations Technician  
November 22, 1999