BLOWOUT PREVENTER OPERATING AND TESTING PROCEDURE

Prior to installation, all blowout preventer equipment will be inspected by operator's representative. This inspection will include visual inspection of ring grooves, bonnet seals, connecting rods and body bore and pressure testing of the opening and closing chambers to pressure limits approved by manufacturer.

The Ram type preventer will be pressure tested to 200-300 psi and casing working pressure upon installation. The full blowout preventer stock will be pressure tested weekly and after each Ram change to 200-300 psi and to the lower of the following maximums:

1. Required working pressure on Ram type preventer.

2. Wellhead working pressure.

3. Casing working pressure.

An operational test of the blowout preventer will be performed on each round trip but no more than one (1) each day. The pipe Ram preventer will be closed on pipe and the blind Rams closed while out of the hole. A drilling crew proficiency test to perform the well shut in procedure will be performed at least once each week with each drilling crew.

> Meadco Properties, LTD. No. 1 Harris Federal 3153' FNL & 660' FWL Sec. 4, T-21-S, R-29-E Eddy Co., New Mexico