

SUPPLEMENTAL DATA

BHP PETROLEUM COMPANY INC.
No.2 Yates "36" State
1980'FSL 890'FWL Sec.36-10S-26E
Chaves County, N.M.
State Lease LG 6319

The following items supplement the information on Form C-101.

1. PRESSURE CONTROL EQUIPMENT: Pressure control equipment will include a 3000#WP blowout preventer stack with a Hydril and a rotating drilling head. The BOP stack will include a kill line and choke manifold tested to 2000 psi. The hole will be air drilled below 500'. A diagrammatic sketch of the BOP stack is attached.
2. SURFACE DAMAGES: The well and access road are located on State surface leased by LA Ranch Partnership. Mr. David Carpenter, partner, has been consulted regarding surface disturbance. A surface damage settlement will be negotiated with Mr. Carpenter.