

**IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF OKLAHOMA**

TOM YUAN, et al.,)	
)	
Plaintiffs,)	
)	
vs.)	Case No. CIV-98-171-M
)	
BAYARD DRILLING TECHNOLOGIES, INC., et al.,)	
)	
Defendants.)	
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**NOTICE OF PENDENCY OF CLASS ACTION,
HEARING ON PROPOSED SETTLEMENT AND ATTORNEYS' FEE PETITION
AND RIGHT TO SHARE IN SETTLEMENT FUND**

TO: ALL PERSONS WHO PURCHASED SHARES OF BAYARD DRILLING TECHNOLOGIES, INC. ("BDI") IN OR TRACEABLE TO THE INITIAL PUBLIC OFFERING OF BDI COMMON STOCK CONDUCTED ON NOVEMBER 4, 1997 (THE "OFFERING") BETWEEN THE DATES OF NOVEMBER 4, 1997 AND FEBRUARY 3, 1998, INCLUSIVE (THE "SECTION 11 CLASS") OR WHO PURCHASED BDI SHARES FROM THE UNDERWRITERS (THE "SECTION 12 CLASS") (COLLECTIVELY, THE "CLASS").

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY PROCEEDINGS IN THIS ACTION. IF YOU ARE A CLASS MEMBER, YOU ULTIMATELY MAY BE ENTITLED TO RECEIVE BENEFITS PURSUANT TO THE PROPOSED SETTLEMENT DESCRIBED HEREIN.

CLAIMS DEADLINE: CLAIMANTS MUST SUBMIT PROOFS OF CLAIM, ON THE FORM ACCOMPANYING THIS NOTICE, POSTMARKED ON OR BEFORE AUGUST 13, 2001.

EXCLUSION DEADLINE: REQUESTS FOR EXCLUSION MUST BE SUBMITTED POSTMARKED ON OR BEFORE JUNE 25, 2001.

SECURITIES BROKERS AND OTHER NOMINEES: PLEASE SEE INSTRUCTIONS ON PAGES 6 & 7 HEREIN.

SUMMARY OF SETTLEMENT AND RELATED MATTERS

I. Purpose of this Notice

1. This Notice is given pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the Court dated April 23, 2001. The purpose of this Notice is to inform you that this Action and the proposed Settlement will affect all Class Members' rights. This Notice describes rights you may have under the proposed Settlement and what steps you may take in relation to this Action. This Notice is not an expression of any opinion by the Court as to the merits of any claims or any defenses asserted by any party in this Action, or the fairness or adequacy of the proposed Settlement.

II. Statement of Plaintiff Recovery

2. Pursuant to the Settlement described herein, a Settlement Fund consisting of \$3,100,000 in cash, plus interest, has been established. There were 11,040,000 shares of BDI common stock sold in the Offering. Plaintiffs estimate that the average recovery per share of BDI common stock under the Settlement is \$0.28 before deduction of Court-awarded attorneys' fees and expenses. Depending on the number of claims submitted, an individual Class Member may receive more or less than this average amount.

3. Under the relevant securities laws, a claimant's recoverable damages are limited to the losses attributable to the alleged violations of the securities laws. Losses which resulted from factors other than the alleged violations of the securities laws are not compensable from the Settlement Fund. For purposes of the Settlement herein, a Class Member's distribution from the Net Settlement Fund will be governed by the proposed Plan of Allocation described below at paragraphs 30 through 35, or such other Plan of Allocation as may be approved by the Court.

4. A detailed explanation of how each Class Member's claim will be calculated is set forth in the Plaintiffs' proposed Plan of Allocation which appears at pages 4 & 5 of this Notice.

III. Statement of Potential Outcome of Case

5. The parties disagreed on both liability and damages and do not agree on the average amount of damages per share that would be recoverable if Plaintiffs were to have prevailed on each claim alleged. Plaintiffs contend that the members of the Class would be entitled to rescind their purchases or to obtain a rescissory measure of damages which would amount to the difference between the Offering price of \$23 per share and the market value of the shares at the time the Action was brought, or \$12.1875 per share (the closing price on February 3, 1998), a difference of \$10.8125 per share. Defendants contend that there were no damages, that the decline in the market price of BDI's common stock was not the result of any misrepresentation or omission but results from non-actionable causes, including the decline in the general market for securities of companies

in BDI's industry. BDI contends that the price of its common stock reflected the general market valuation of companies in its industry and that there was no actionable loss.

6. Plaintiffs' Counsel consider that there was a substantial risk that Plaintiffs and the Class might not have prevailed on all their claims and that there were risks that the decline in the price of BDI common stock could be attributed, in whole or in part, to other factors. Therefore, Plaintiffs could have recovered nothing or substantially less than this amount.

7. For example, at the time the agreement in principle to settle the Action was reached, the District Court had dismissed Plaintiffs' Section 15 (control person liability) claims against Defendants Anderson, Miller, Tassin, Ward, Oliver, Mullen, Chesapeake, and Energy Spectrum.

8. The Defendants deny that they are liable to the Plaintiffs or the Class and deny that Plaintiffs or the Class have suffered any damages.

IV. Statement of Attorneys' Fees and Costs Sought

9. Plaintiffs' Counsel intend to apply for fees of up to one-third (33 1/3%) of the Gross Settlement Fund, and for reimbursement of expenses incurred in connection with the prosecution of this Action in the approximate amount of \$185,000, or an average of \$0.11 per damaged share in total for fees and expenses. Plaintiffs' Counsel have expended considerable time and effort in the prosecution of this litigation on a contingent fee basis, and have advanced the expenses of the litigation, in the expectation that if they were successful in obtaining a recovery for the Class they would be paid from such recovery. In this type of litigation it is customary for counsel to be awarded a percentage of the common fund recovery as their attorneys' fees.

V. Further Information

10. Further information regarding the Action and this Notice may be obtained by contacting Plaintiffs' Co-Lead Counsel: Joshua H. Vinik, Esq., Milberg Weiss Bershad Hynes & Lerach LLP, One Pennsylvania Plaza, New York, New York 10119-0165, Telephone (212) 594-5300; Peter Harrar, Esq., Wolf Haldensein Adler Freeman & Herz LLP, 270 Madison Avenue, New York, New York 10016, Telephone (212) 545-4600; Stuart L. Berman, Esq., Schiffrin & Barroway, LLP, Three Bala Plaza East, Suite 400, Bala Cynwyd, Pennsylvania 19004, Telephone (610) 667-7706; or Ralph M. Stone, Esq., Shalov Stone & Bonner, 276 Fifth Avenue, Suite 704, New York, New York 10001, Telephone (212) 686-8004.

VI. Reasons for the Settlement

11. The principal reason for the Settlement is the benefit to be provided to the Class now. This benefit must be compared to the risk that no recovery might be achieved in view of the District Court's partial dismissal of the Complaint and the substantial defenses relating to causation that defendants intended to assert; the limited amount of insurance available; the fact that no class had been certified and the risk that no class would be certified in light of defendants' opposition thereto. Even if Plaintiffs were successful on appeal and the Complaint were upheld, there would be risks that a smaller recovery or no recovery might be obtained after a contested trial and likely appeals, possibly years into the future.

NOTICE OF SETTLEMENT FAIRNESS HEARING

12. NOTICE IS HEREBY GIVEN, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Western District of Oklahoma (the "Court") dated April 23, 2001, that a hearing will be held before the Honorable Vicki Miles-LaGrange in the United States Courthouse, 200 N.W. 4th Street, Oklahoma City, Oklahoma 73102, at 3:00 p.m., on July 13, 2001 (the "Settlement Fairness Hearing") to determine whether a proposed settlement (the "Settlement") of the above-captioned action (the "Action") as set forth in the Stipulation and Agreement of Settlement dated April 9, 2001 (the "Stipulation"), is fair, reasonable and adequate and to consider the proposed Plan of Allocation for the Settlement proceeds and the application of Plaintiffs' Counsel for attorneys' fees and reimbursement of expenses.

13. The Court, by Preliminary Order In Connection With Settlement Proceedings, dated April 23, 2001, has certified a Plaintiff Class consisting of: "all persons who purchased shares of Bayard Drilling Technologies, Inc. ("BDI") in or traceable¹ to the initial public offering of BDI common stock conducted on November 4, 1997 (the "Offering") between the dates of November 4, 1997 and February 3, 1998, inclusive (the "Section 11 Class"), and all persons who purchased BDI shares from the Underwriters (the "Section 12 Class") (collectively, the "Class")." Excluded from the Class are the Defendants, members of the immediate families (parents, spouses, siblings, and children) of the Defendants who are individual persons, any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant has a controlling interest, and the legal representatives, heirs, successors-in-interest or assigns of any such excluded party.

BACKGROUND OF THE LITIGATION

14. Defendant BDI is engaged in the business of providing contract land drilling services to major and independent oil and gas companies. Defendant Chesapeake Energy Corp. ("Chesapeake") is an oil and natural gas producer which owned 30.1% of the outstanding common stock of BDI at the time of the Offering. The initial public offering price of BDI common stock was \$23.00 per share. BDI shares declined from there and continually traded below the Offering price. On February 3, 1998, the date the Yuan complaint was filed, BDI shares were trading at \$12.1875 per share.

15. The Amended Class Action Complaint filed in the Action (the "Complaint") alleges, among other things, that Defendants issued a false and misleading registration statement and prospectus (the "Registration Statement and Prospectus") in connection with the initial public

¹ For purposes of this Settlement, all purchases of BDI common stock on the open market from November 4, 1997 through February 3, 1998 shall be deemed "traceable" to the Offering.

offering of 11,040,000 shares of BDI common stock at \$23.00 per share, on or about November 4, 1997 (the "IPO" or the "Offering"), thereby violating Sections 11 and 12(a)(2) of the Securities Act of 1933 and Title 71, sections 408(a) and (b) of the Oklahoma Securities Act.

16. The Complaint alleges that the Registration Statement and Prospectus were materially false and misleading as a result of Defendants' failure to disclose, *inter alia*, that: (a) Chesapeake, which was BDI's largest shareholder, a substantial lender to BDI, and BDI's largest customer, was enduring severe financial hardships which, because of BDI's dependence upon Chesapeake as BDI's principal customer, seriously threatened BDI's financial prospects; (b) as a result of BDI's dependence upon Chesapeake as BDI's principal customer, Chesapeake's deteriorating financial condition made it likely, if not certain, that BDI would be unable to sustain the utilization rates for its drilling rigs that were reported in the Registration Statement and Prospectus and would therefore experience a financial downturn; (c) Chesapeake was responsible for a materially larger percentage of BDI's revenues than the 22% stated in the Registration Statement and Prospectus; (d) Chesapeake, which was selling approximately \$108 million of BDI stock in the Offering, was disposing of its investment in BDI because of its severe financial problems and its need to raise the cash necessary to fund its struggling operations; (e) because of Chesapeake's status as BDI's largest shareholder, a substantial lender to BDI, and BDI's largest customer, Chesapeake had secured contracts with BDI on terms significantly more favorable to Chesapeake than would have been obtained had the parties bargained at arm's length and without undue influence; (f) Chesapeake's disposal of its investment in BDI was likely to adversely impact BDI's operations because Chesapeake no longer possessed any financial incentive to use the drilling services provided by BDI when Chesapeake chose its vendors; (g) BDI had finalized or was in the process of finalizing the terms of a related party transaction involving a company controlled by Defendant Roy T. Oliver (the "Oliver Drilling Transaction") that would require BDI to expend \$42.6 million, or nearly one-half of BDI's capital expenditure budget for 1998; and (h) the costs BDI was incurring and expected to incur in connection with its efforts to refurbish drilling rigs (a critical element of BDI's purported strategy to achieve profitable growth) were dramatically higher than the costs that BDI had historically experienced in connection with refurbishment efforts and would increase dramatically due to the Oliver Drilling Transaction.

BACKGROUND TO THE SETTLEMENT

17. The Defendants (as defined below) have denied all averments of wrongdoing or liability in the Action and all other accusations of wrongdoing or violations of law. The Stipulation is not and shall not be construed or be deemed to be evidence or an admission or a concession on the part of any of the Defendants of any fault or liability or damages whatsoever, and Defendants do not concede any infirmity in the defenses which they have asserted or intended to assert in the Action.

18. Prior to entering into the Stipulation, Plaintiffs' Counsel conducted an investigation relating to the events and transactions underlying Plaintiffs' claims and conducted pretrial discovery on the merits, including, *inter alia*, analysis of tens of thousands of pages of documents produced by BDI and others. Plaintiffs' Counsel's decision to enter into this Settlement was made with knowledge of the facts and circumstances underlying Plaintiffs' claims and the strengths and weaknesses of those claims. In determining to settle the Action, they have evaluated the pre-trial investigation and discovery taken in the Action and taken into account the substantial expense and length of time necessary to prosecute the Action through trial, post-trial motions, and likely appeals, taking into consideration the significant uncertainties in predicting the outcome of this complex litigation. Counsel for Plaintiffs believe that the Settlement described herein confers very substantial benefits upon the Class. Based upon their consideration of all of these factors, Plaintiffs and their counsel have concluded that it is in the best interest of Plaintiffs and the Class to settle the Action on the terms described herein.

19. All of the parties have now agreed to settle all aspects of the Action, subject to approval of the Court.

20. Plaintiffs recognized the uncertainty and the risk of the outcome of any litigation, especially complex litigation such as this, and the difficulties and risks inherent in the trial of such an action. Plaintiffs desired to settle the claims of the Class against Defendants on the terms and conditions described herein which provide substantial benefits to the Class. Plaintiffs' Counsel deem such settlement to be fair, reasonable and adequate, and in the best interests of the members of the Class.

21. The Defendants, while continuing to deny all allegations of wrongdoing or liability whatsoever, desired to settle and terminate all existing or potential claims against them, without in any way acknowledging any fault or liability.

22. The amount of damages, if any, that Plaintiffs could prove was also a matter of serious dispute, and the Settlement's use of a Recognized Claim formula for distributing the Settlement proceeds does not constitute a finding, admission or concession that provable damages could be measured by the Recognized Claim formula. No determination has been made by the Court as to liability or the amount, if any, of damages suffered by the Class, nor on the proper measure of any such damages. The determination of damages, like the determination of liability, is a complicated and uncertain process, typically involving conflicting expert opinions. During the course of the Action, Defendants, in addition to denying any liability, disputed that Plaintiffs and the Class were damaged by any wrongful conduct on Defendants' parts. The Settlement herein is providing an immediate and substantial cash benefit and avoids the risks that liability or damages might not have been proven at trial.

23. THE COURT HAS NOT DETERMINED THE MERITS OF THE PLAINTIFFS' CLAIMS OR THE DEFENSES THERETO. THIS NOTICE DOES NOT IMPLY THAT THERE HAS BEEN OR WOULD BE ANY FINDING OF VIOLATION OF THE LAW OR THAT RECOVERY COULD BE HAD IN ANY AMOUNT IF THE ACTION WERE NOT SETTLED.

TERMS OF THE SETTLEMENT

24. In full and complete settlement of the claims which have or could have been asserted in this Action, and subject to the terms and conditions of the Stipulation, Defendants have paid into escrow on behalf of Plaintiffs and the Class \$3,100,000 (the "Cash Settlement Amount"), which has been earning interest for the benefit of the Class since May, 2001.

25. Pursuant to the Settlement, and on the Effective Date, Plaintiffs and other members of the Class on behalf of themselves, their heirs, executors, administrators, successors and assigns, and any persons they represent shall release and forever discharge, and shall forever be enjoined from prosecuting, the Released Parties (defined below) with respect to each and every Settled Claim (defined below).

26. The "Defendants" include the following, each of whom will be released from all claims relating to the allegations in the Complaint or to any purchase of common stock of BDI in or traceable to the Offering or from the Underwriters: (1) Bayard Drilling Technologies, Inc.; (2) Chesapeake Energy Corporation; (3) Energy Spectrum LLC; (4) James E. Brown; (5) David E. Grose; (6) Carl B. Anderson, III; (7) Merrill A. Miller, Jr.; (8) Sidney L. Tassin; (9) Lew O. Ward; (10) Mike Mullen; (11) Roy T. Oliver; (12) Donaldson, Lufkin & Jenrette Securities Corporation; (13) Lehman Brothers Inc.; (14) Prudential Securities Incorporated; (15) Dain Rauscher Inc. (f/k/a Rauscher Pierce Refsnes, Inc.); and (16) Raymond, James & Associates, Inc.. In addition, the Settlement will release all Class Members' claims against any and all of the Defendants and the Underwriters², the Defendants' and the Underwriters' past or present subsidiaries, parents, successors and predecessors, officers, directors, shareholders, agents, employees, attorneys, advisors, and investment advisors, auditors, accountants and any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant or Underwriter has a controlling interest or which is related to or affiliated with any of the Defendants or the Underwriters, and the legal representatives, heirs, successors in interest or assigns of the Defendants and the Underwriters (collectively, the "Released Parties").

27. "Settled Claims" means any and all claims, rights or causes of action or liabilities whatsoever, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, including both known claims and Unknown Claims³, that have been or could have been asserted in any forum by the Class Members or any of them or anyone claiming or purporting to claim by or through any of them against any of the Released Parties which arise out of or relate in any way to the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, referred to or that could have been asserted in the Complaint relating to the purchase of shares of the common stock of BDI in or traceable to the Offering or from the Underwriters.

28. If the Settlement is approved by the Court, all claims which have or could have been asserted in the Action will be dismissed on the merits and with prejudice as to all Class Members and all Class Members shall be forever barred from prosecuting a class action or any other action asserting any Settled Claims against any Released Party.

29. The Settlement will become effective at such time as Orders entered by the Court approving the Settlement shall become final and not subject to appeal (the "Effective Date").

PLAN OF ALLOCATION OF SETTLEMENT PROCEEDS AMONG CLASS MEMBERS

30. The \$3,100,000 Cash Settlement Amount and the interest earned thereon shall be the Gross Settlement Fund. The Gross Settlement Fund, less all taxes, approved costs, and approved fees and expenses (the "Net Settlement Fund") shall be distributed to members of the Class who submit acceptable Proofs of Claim ("Authorized Claimants").

31. The Claims Administrator (identified in paragraph 37) shall determine each Authorized Claimant's pro rata share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim."

32. An Authorized Claimant's "Recognized Claim" shall mean the difference, if a loss, between the amount paid for BDI common stock (including brokerage commissions and transaction charges), and the sum for which said shares were sold at a loss (net of brokerage commissions and transaction charges) on or before February 3, 1998. As to those shares which an Authorized Claimant continued to hold as of the close of trading on February 3, 1998, Recognized Claim shall mean the difference, if any, between the amount paid for each such share purchased and \$12.875 per share, the closing price of said shares on February 4, 1998. Purchases will be matched against sales on a First-In, First-Out basis. Transactions resulting in a gain shall not be included.

33. Each Authorized Claimant shall be allocated a pro rata share of the Net Settlement Fund based on his, her or its Recognized Claim as compared to the total Recognized Claims of all Authorized Claimants.

² "Underwriters" means the underwriting firms on the Offering: CS First Boston (f/k/a Donaldson, Lufkin & Jenrette Securities Corporation); Lehman Brothers Inc.; Prudential Securities, Inc.; Dain Rauscher Incorporated (f/k/a Rauscher Pierce Refsnes, Inc.); Raymond James & Associates, Inc.; DB Alex. Brown, LLC (f/k/a BT Alex. Brown Incorporated); A.G. Edwards & Sons, Inc.; Goldman, Sachs & Co.; Howard, Weil, Labouisse, Friedrichs Incorporated; Morgan Stanley Dean Witter, Inc. (f/k/a Morgan Stanley & Co. Incorporated); UBS Paine Webber Incorporated (f/k/a Paine Webber Incorporated); UBS Warburg Securities (f/k/a SBC Warburg Dillon Read Inc.); Solomon Smith Barney (f/k/a Smith Barney Inc.); Robert W. Baird & Co. Incorporated; Barington Capital Group, L.P.; George K. Baum & Co.; Chatsworth Securities, LLC; Hanifen, Imhoff Inc.; Janney Montgomery Scott Inc.; Jefferies & Company; Johnson Rice & Company L.L.C.; Kirkpatrick, Pettis, Smith, Polian Inc.; Ladenburg Thalmann & Co. Inc.; Lowenbaum & Company Incorporated; McDonald & Company Securities, Inc.; Morgan Keegan & Company, Incorporated; Nesbitt Burns Securities Inc.; Ormes Capital Markets, Inc.; Petrie Parkman & Co.; Principal Financial Securities, Inc.; The Robinson-Humphrey Company, LLC; Sanders Morris Mundy; Simmons & Company International; Stephens Inc.; and Wm. Smith Securities, Inc.

³ "Unknown Claims" means any and all Settled Claims which any Plaintiff or Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties, which, if known by him, her or it might have affected his, her, or its decision(s) with respect to the Settlement.

34. Class Members who do not submit acceptable Proofs of Claim will not share in the settlement proceeds. Class Members who do not either submit a request for exclusion or submit an acceptable Proof of Claim will nevertheless be bound by the Settlement and the Order and Final Judgment of the Court dismissing this Action.

35. After the Claims Administrator has made reasonable and diligent efforts to have Class Members who are entitled to participate in the distribution of the Net Settlement Fund cash their distribution checks, any balance remaining in the Net Settlement Fund one (1) year after the initial distribution by reason of uncashed checks or otherwise, shall be re-distributed to Class Members who have cashed their checks. If after six months after such re-distribution any funds shall remain in the Net Settlement Fund, then such balance shall be contributed to the American Red Cross.

THE RIGHTS OF CLASS MEMBERS

36. The Court has certified this Action to proceed as a class action. If you purchased shares of Bayard Drilling Technologies, Inc. ("BDI") in or traceable to the initial public offering of BDI common stock conducted on November 4, 1997 (the "Offering") (the "Section 11 Class") or purchased BDI shares from the Defendant Underwriter Class in the Offering (the "Section 12 Class"), then you are a Class Member. Class Members have the following options pursuant to Rule 23 (c) (2) of the Federal Rules of Civil Procedure:

(a) If you wish to remain a member of the Class, you may share in the proceeds of the Settlement, provided that you submit an acceptable Proof of Claim. Class Members will be represented by the Plaintiffs and their counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file an appearance on your behalf on or before June 25, 2001, and must serve copies of such appearance on the attorneys listed in paragraph 44 below.

(b) If you do not wish to remain a member of the Class, you may exclude yourself from the Class by following the instructions in paragraph 42 below. Persons who exclude themselves from the Class will **NOT** receive any share of the Settlement proceeds and will not be bound by the Settlement.

(c) If you object to the Settlement or any of its terms, or to Plaintiffs' Counsel's application for fees and expenses, and if you do not exclude yourself from the Class, you may present your objections by following the instructions in paragraph 44 below.

SUBMISSION AND PROCESSING OF PROOFS OF CLAIM

37. In order to be eligible to receive any distribution from the Settlement Fund, you must complete and sign the attached Proof of Claim and Release form and send it by first class mail postmarked on or before August 13, 2001, addressed as follows:

In re Bayard Drilling Securities Litigation
c/o Gilardi & Co. LLC
Claims Administrator
Post Office Box 8040
San Rafael, CA 94912-8040

38. If you do not submit a proper Proof of Claim form, you will not be entitled to any share of the Settlement Fund.

39. If you are a Class Member and you do not properly exclude yourself from the Class, you will be bound by the Settlement and the Order and Final Judgment of the Court dismissing this Action, even if you do not submit a Proof of Claim. If you exclude yourself from the Class, you will not be bound by the judgment but you will not be entitled to any share of the Settlement Fund.

40. All Proofs of Claim must be submitted by the date specified in this Notice unless such period is extended by Order of the Court.

41. Each Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the Western District of Oklahoma with respect to his, her or its claim.

EXCLUSION FROM THE SETTLEMENT

42. Each Member of the Class shall be bound by all determinations and judgments in this Action concerning the Settlement, whether favorable or unfavorable, unless such person shall mail, by first class mail, a written request for exclusion from the Class, postmarked no later than June 25, 2001, addressed to Bayard Drilling Securities Litigation Exclusions, c/o Gilardi & Co. LLC, P.O. Box 8040, San Rafael, CA 94912-8040. No person may exclude himself, herself, or itself from the Class after that date. In order to be valid, each such request for exclusion must set forth the name and address of the person or entity requesting exclusion, must state that such person or entity "requests exclusion from the Class in the Bayard Drilling Securities Litigation, Case No. CIV-98-171-M" and must be signed by such person or entity. Persons and entities requesting exclusion are requested to also provide the following information: their telephone number, the date(s), price(s), and number(s) of shares of all purchases and sales of BDI common stock in or traceable to the Offering or from the Underwriters. The request for exclusion shall not be effective unless the request for exclusion provides the required information and is made within the time stated above, or the exclusion is otherwise accepted by the Court.

SETTLEMENT FAIRNESS HEARING

43. At the Settlement Fairness Hearing, the Court will determine whether to finally approve this Settlement and dismiss the Action and the claims of the Class Members. The Court will also determine whether the Plan of Allocation for the Settlement proceeds is fair and reasonable. The Settlement Fairness Hearing may be adjourned from time to time by the Court without further written notice to the Class. If the Settlement is approved, the Court will also consider the application of Plaintiffs' Counsel for attorneys' fees.

44. At the Settlement Fairness Hearing, any Class Member who has not properly submitted a Request for Exclusion from the Class may appear in person or by counsel and be heard to the extent allowed by the Court in opposition to the fairness, reasonableness and adequacy of the Settlement, the Plan of Allocation, or the application for an award of attorneys' fees and reimbursement of expenses, provided, however, that in no event shall any person be heard in opposition to the Settlement, the Plan of Allocation, or Plaintiffs' Counsel's application for attorneys' fees and expenses and in no event shall any paper or brief submitted by any such person be accepted or considered by the Court, unless, on or before June 25, 2001, such person (a) files with the Clerk of the Court notice of such person's intention to appear, showing proof of such person's membership in the Class, and providing a statement that indicates the basis for such opposition, along with any documentation in support of such objection, and (b) simultaneously serves copies of such notice, proof, statement and documentation, together with copies of any other papers or briefs such person files with the Court, in person or by mail upon Plaintiffs' Co-Lead Counsel:

Joshua H. Vinik, Esq.
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(212) 594-5300

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(212) 545-4600

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Bala Cynwyd, PA 19004
(610) 667-7706

Ralph M. Stone, Esq.
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and upon Defendants' Counsel:

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McAFEE & TAFT, P.C.
Tenth Floor, Two Leadership Square
211 North Robinson
Oklahoma City, OK 73102-7101
(405) 235-9621

ATTORNEYS' FEES AND DISBURSEMENTS

45. At the Settlement Fairness Hearing or at such other time as the Court may direct, Plaintiffs' Counsel intend to apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount not greater than one-third (33 1/3%) of the Gross Settlement Fund and for reimbursement of their expenses up to a maximum amount of \$185,000, plus interest at the same rate as earned by the Settlement Fund. Plaintiffs' Counsel, without further notice to the Class, may subsequently apply to the Court for fees and expenses incurred in connection with administering and distributing the Settlement proceeds to the members of the Class.

FURTHER INFORMATION

46. For a more detailed statement of the matters involved in this Action, reference is made to the pleadings, to the Stipulation, to the Orders entered by the Court and to the other papers filed in the Action, which may be inspected at the Office of the Clerk of the United States District Court for the Western District of Oklahoma, United States Courthouse, 200 N.W. 4th Street, Oklahoma City, Oklahoma 73102, during regular business hours.

47. ALL INQUIRIES CONCERNING THIS NOTICE OR THE PROOF OF CLAIM FORM BY CLASS MEMBERS SHOULD BE MADE TO THE CLAIMS ADMINISTRATOR IN WRITING AT THE ADDRESS INDICATED BELOW.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

48. If you purchased shares of Bayard Drilling Technologies, Inc. ("BDI") in or traceable to the initial public offering of BDI common stock conducted on November 4, 1997 (the "Offering") between the dates of November 4, 1997 and February 3, 1998, inclusive (the "Section 11 Class") or purchased BDI shares from the Defendant Underwriter Class in the Offering (the "Section 12 Class") for the beneficial interest of a person or organization other than yourself, the Court has directed that, within seven days of your receipt of this Notice, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased such stock during such time period or (b) request additional copies of this Notice and the Proof of Claim form, which will be provided to you free of charge, and within seven days mail the Notice and Proof of Claim form directly to the beneficial owners of the securities referred to herein. If you choose to follow alternative procedure

(b), the Court has directed that, upon such mailing, you send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

In re Bayard Drilling Securities Litigation
c/o Gilardi & Co. LLC
Claims Administrator
P.O. Box 8040
San Rafael, CA 94912-8040
(800) 447-7657

Dated: Oklahoma City, Oklahoma
May 7, 2001

By Order of the Court
CLERK OF THE COURT