CLAUDE C. KENNEDY INDEPENDENT OIL AND GAS OPERATOR

July 9, 1975

Mr. Emery Arnold N.M.O.C.C. 1000 Rio Brazos Road Aztec, New Mexico 87410 RICHVED

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OIL CON. COM.

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Re: Basin Fuels, Inc. #1 Slick 1980' FEL, 660' FSL Sec. 7, T20N, R5W McKinley County, N.M.

Dear Mr. Arnold:

This is to certify that deviation tests as follows were taken during drilling of the subject well as reported to me by the drilling contractor.

| 3/4 | degrees | @1210 |
|-----|---------|-------|
| 1 | 11 | @1835 |
| 1 | ** | @2485 |
| 1 | 71 | @2800 |

Very truly yours,

Claude C. Kennedy Drilling Supt.

ACKNOWLEDGEMENT

State of New Mexico County of San Juan

The foregoing was sworn to before me this 9th day July, 1975.

MY COMMISSION EXPIRES:

march 25, 1978

NOTARY PURTTO