

P. O. Box 900, 5651 US Hwy. 64

Farmington, New Mexico 87499

(505) 327-4935 • 24 Hour Dispatch (505) 325-68/92 • (505) 327-0416

DATE: 9-15-98

**RIG # 53** 

PHILLIPS PETROLEUM COMPANY 5525 HWY 64 NBU 3004 FARMINGTON, N.M. 87401

ATTN: PATSY CLUGSTON

DECEIVED SEP 2 4 1998

OIL GUIN. DIM DIST. 3

THIS LETTER IS TO CERTIFIY THAT BIG A WELL SERVICE DID RUN DEVIATION SURVEYS AT THE LISTED DEPTH ON YOUR SAN JUAN 32-7 UNIT # 242 WELL, IN SECTION 33, T-32-N, R-7-W, IN SAN JUAN COUNTY, NEW MEXICO.

DEPTH	DEGREE DEVIATION	DEPTH	DEGREE DEVIATION
208	1/2	2071	3/4
360	3/4	2563	3/4
600	1-1/2	3060	1/2
1122	3/4	3228	1/2
1595	3/4		

TO THE BEST OF MY KNOWLEDGE, I SWEAR THIS INFORMATION TO BE TRUE.

SINCERELY,

JOHN K. RICHARDSON

John K. Richard

DRILLING MANAGER

Notary Public

My commission expires: 6

DATA PHILSURV



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Coleman Oil & Gas, INC. P.O. Draw 3337

August 18, 1998

Farmington, N.M. 87499

ATTENTION: George E. Coleman:

REFERENCE: 24 Hr. COAL COMPLETION RIG #53

Dear Mr. Coleman,

Per our request we would like to finalize our discussion and draw into a DAY WORK AGREEMENT between BIG A WELL SERVICE and COLEMAN OIL & GAS, INC.

Attached you will find a day work agreement for your review, rig inventory (attachment one), terms, charges and provisions (attachment two), equipment furnish by COLEMAN OIL & GAS, INC. (attachment three) and an approval sheet (attachment four). Note there are two complete copies of this contract. Please sign and return one, retain the other for your records.

I hope you will find everything in order and agreeable. BIG A WELL SERVICE is looking forward to serve COLEMAN OIL & GAS, INC. and sincerely appreciate this opportunity.

Respectfully submitted

Ron Fellabaum President CEO

Enclosures