DEVIATION REPORT

| Name of Company MERIDIAN OIL INC | | Address PO BOX 4289, FARMINGTON, NM | | |
|---|-------------------------------------|---|--------------------|-------------|
| Lease Name & Number UTE #27 | Unit Letter 495 ' FSL, 290 ' FWL | Sec. 16 | Twn 032N | Rge 014W |
| Pool and Formation Brk Dm Desert Crk | CONFINENTIAL | County SAN JUAN | | |

| Depth (Ft.) | Deviation (Degrees) | |
|--------------|---------------------|--|
| 280 | 0.75 | |
| 796 | 1.00 | |
| 1006 | 1.00 | |
| 1510 | 1.50 | |
| 1760 | 1.25 | |
| 2264 | 2.25 | |
| 2545 | 2.75 | |
| 2796 | 2.75 | |
| 2894 | 2.75 | |
| 3138 | 1.75 | |
| 3638 | 1.00 | |
| 3946 | 2.00 | |
| 4443 | 1.00 | |
| 4443 4939 | 1.75 | |
| 4939 5473 | 2.25 | |
| 5473 5781 | 2.25 1.75 | |
| 6280 | 2.25 | |
| 6778 | 1.75 | |
| | 2.50 | |
| 7260 7533 | 1.75 | DE SECTION OF THE PROPERTY OF |
| 7522 | 1.75 | HEDELEAN - |
| 8028 | 1.75 | M Hay |
| | | MA - 5 1039 (7) |
| | | OIL GOM. DIT. Dibil s |
| | | Substitution of the substi |
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I, the undersigned, certify that I, acting in my capacity as Petroleum Engineer for MERIDIAN OIL INC., am authorized by said Company to make this report; and that this report was prepared under my supervision and directions, and that the facts stated herein are true to the best of my knowledge and belief.

Subscribed and sworn to before me this 18th day of August, 1995

Notary Public in and for San Juan County, New Mexico

My commission expires August 17, 1996.