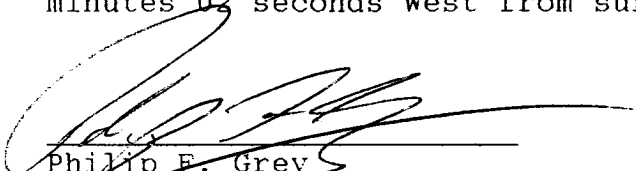


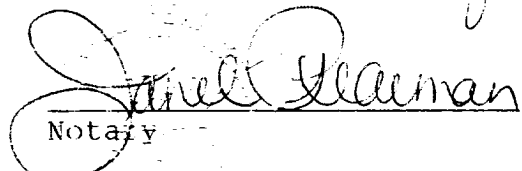
VETERAN EXPLORATION, INC

4643 S. Ulster St., Suite 1190, Denver, Colorado 80237, (303) 740-8885
One Main Place, 100 North Main, Suite 910, Wichita, Kansas 67202, (316) 262-5439
1 (800) 777-9680 FAX (303) 740-7605

This is to certify that to the best of my knowledge the San Isidro 12-10 Bottom Hole elevation is to be 6130 feet measured depth, 2296.60 feet horizontally in a direction of North 18 degrees 56 minutes 03 seconds West from surface location.


Philip E. Grey
Executive Vice President
Veteran Exploration, Inc.

Subscribed and Sworn to, Before me
This 4th Day of Jan 1991.


Notary

7/14/91
Commission Expires

10375 E. Harvard Ave., Suite 100
Denver, Colorado 80231



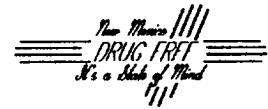
BRUCE KING
GOVERNOR

STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

ANITA LOCKWOOD
CABINET SECRETARY



1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

FAX TRANSMITTAL SHEET

DATE: 6-1-92

TO: LARRY VAN RYAN

FROM: Ernie Busch

FAX: 505-334-6170

COMMENTS: _____

NUMBER OF PAGES INCLUDING COVER: 8



Directional Drilling, Directional MWD's, Horizontal Drilling
Directionally Drilled River Crossings, Gyroscopic Surveys
Magnetic Multishot Surveys, Magnetic Single Shot Rentals

CENTRAL SERVICE DISPATCH

Lafayette, LA (318) 233-4433

Fax (318) 233-5594

Service Locations

Lafayette, Houston, New Orleans, Corpus Christi

Certified Mail Receipt #P 433 381 973
Fax #505-289-3312

December 14, 1990

VETERAN EXPLORATION, INC.
General Delivery
Cuba, New Mexico 87103

Attention: Mr. Frank Gray

RECEIVED

DEC 26 1990

OIL CON. DIV.
DIST. 3

Re: San Isidro Well No. 12-10
Rio Puerco Field
Sandoval County, New Mexico

Dear Sir:

Enclosed please find a notarized copy of the Survey Report on the
above referenced well.

This data is being forwarded to you as per Mr. Tracy Chancellor's
request.

Sincerely,

THE BOB FOURNET COMPANY

A handwritten signature in cursive script, appearing to read 'Larry Sifton'.

Larry Sifton
Manager, Survey Operations

LS/ph

Enclosures

The Bob Fournet Company

Box 52245, 311 Wall Street, Lafayette, La. 70505, Tel.: (318) 233-4433, Fax (318) 233-5594

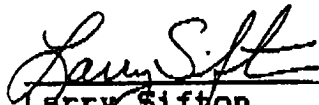
STATE OF LOUISIANAPARISH OF LAFAYETTE

Re: VETERAN EXPLORATION COMPANY
San Isidro Well No. 12-10
Rio Puerco Field
Sandoval County, New Mexico

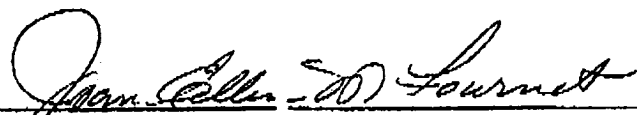
Larry Sifton, being duly sworn, deposes and says, that the following survey(s) were made by THE BOB FOURNET COMPANY on the above referenced well.

<u>TYPE SURVEY</u>	<u>SURVEY DEPTH</u>	<u>DATE</u>	<u>SURVEYOR</u>
Multishot	3400' - 6130'	12/06/90	Gerald Blalock

That the attached document, showing the well at 6130 feet measured depth to be horizontally 2296.60 feet in a direction of North 18 degrees 56 minutes 02 seconds West from surface location, represents a true and complete survey of the above mentioned well, to the best of his knowledge.


Larry Sifton
Manager, Survey Operations

Subscribed and sworn to, before me,
this 14 day of December 1990.


Notary Public, in and for the Parish
of Lafayette, State of Louisiana.



The Bob Fournet Company

SUB-SURFACE DIRECTIONAL SURVEY REPORT

VETERAN EXPLORATION COMPANY

COMPANY

SAN ISIDRO WELL NO. 12-10

WELL NAME

RIO PUERCO FIELD

SANDOVAL COUNTY, NEW MEXICO

LOCATION

MT-1200940

JOB NUMBER

Multishot

TYPE OF SURVEY

3400' - 6130'

SURVEY DEPTH

12-06-90

DATE

JOB NUMBER

TYPE OF SURVEY

SURVEY DEPTH

DATE

JOB NUMBER

TYPE OF SURVEY

SURVEY DEPTH

DATE

JOB NUMBER

TYPE OF SURVEY

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JOB NUMBER

TYPE OF SURVEY

SURVEY DEPTH

DATE

JOB NUMBER

TYPE OF SURVEY

SURVEY DEPTH

DATE

JOB NUMBER

TYPE OF SURVEY

SURVEY DEPTH

DATE

MULTISHOT SURVEY

/*
 VETERAN EXPLORATION COMPANY
 SAN ISIDRO WELL NO. 12-10
 RIO PUERCO FIELD
 SANDOVAL COUNTY, NEW MEXICO
 (ENERGY SEARCH DRILLING RIG 1)
 JOB NO(S): MT-1200240
 DATE(S): DECEMBER 6, 1990
 MAGNETIC DECLINATION 11 DEGREES 00 MINUTES EAST
 ALL DIRECTIONS FROM TRUE NORTH

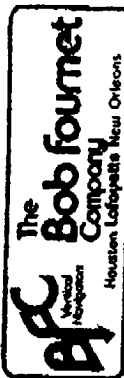
THE BOB FOURNET COMPANY

PLANE OF PROPOSED DIRECTION IS N 15 DEG. 0 MIN. 0 SEC. W

RECORD OF SURVEY

ALL CALCULATIONS PERFORMED BY A TEXAS INSTRUMENTS 990/10 MODEL 8 ELECTRONIC COMPUTER
 RADIUS OF CURVATURE METHOD

MEAS. DEPTH	DRIFT ANGLE DG MN	TRUE VERTICAL DEPTH	VERT. SECTION	DIRECTION DG MN	TOTAL COORDINATES	C L O S U R E S		DOG LEG SEVERITY DEG/100FT
						DISTANCE	ANGLE DG MN SC	
ASSUMED VERTICAL TO 3400 FT MD								
3400	0 0	3400.00	0.00	N 0 0 W	0.00 W	0.00 N 90	0 0 W	0.000
3502	8 30	3501.63	7.39	N 3 0 W	7.54 N	7.55 N 3	0 0 W	8.336
3563	15 15	3561.29	19.74	N 7 0 W	20.04 N	20.09 N 4	14 54 W	11.148
3684	29 0	3673.11	65.05	N 15 0 W	64.63 N	65.42 N 8	55 51 W	11.635
3805	42 30	3771.08	135.23	N 25 0 W	130.82 N	135.23 N 14	40 14 W	12.161
3926	46 45	3857.18	218.17	N 30 0 W	206.17 N	218.88 N 19	36 53 W	4.557
4048	49 15	3938.81	305.52	N 31 0 W	284.29 N	308.37 N 22	47 50 W	2.138
4169	50 30	4016.78	394.68	N 30 0 W	364.00 N	400.25 N 24	34 21 W	1.211
4290	53 45	4091.06	487.13	N 29 0 W	447.12 N	495.46 N 25	31 16 W	2.764

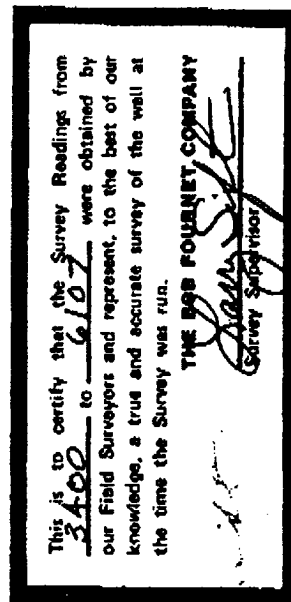
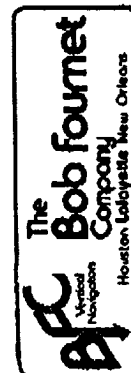


PAGE NO. 2

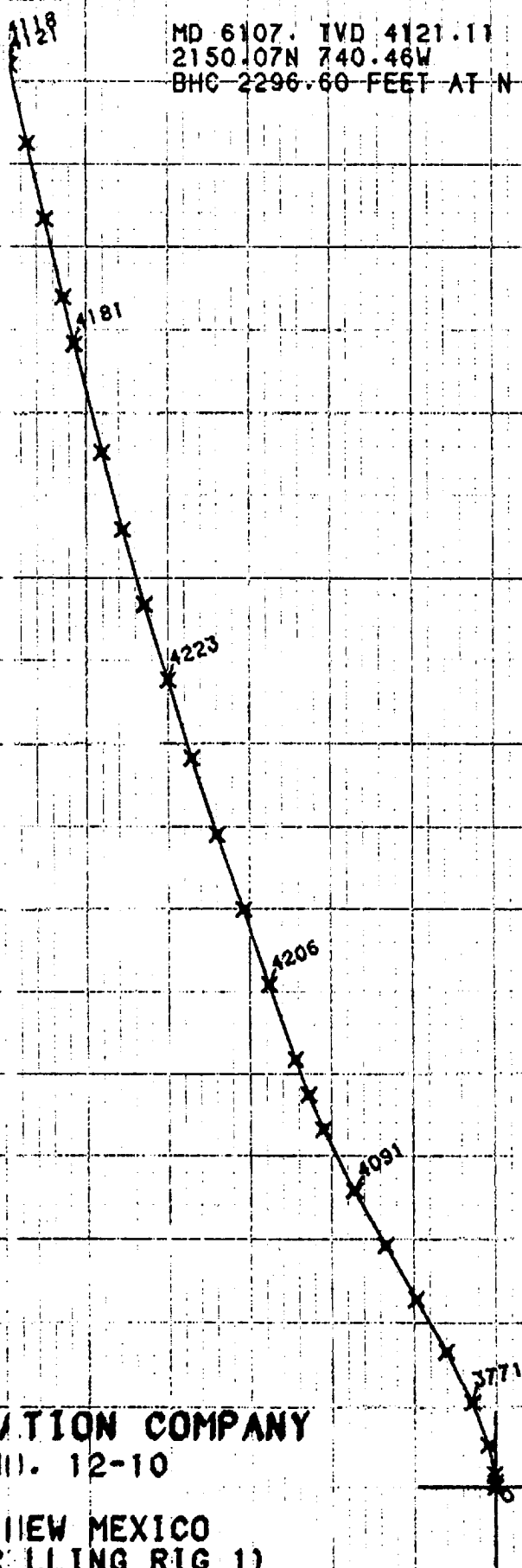
MEAS. DEPTH	DRIFT ANGLE DG MN	TRUE VERTICAL DEPTH	VERT. SECTION	DRIFT DIRECTION DG MN	TOTAL COORDINATES	CLOSURE DISTANCE	SURSE ANGLE DG MN SC	DGC LEG SEVERITY DEG/100FT
4411	65 45	4151.91	589.17	N 25 0 W	540.06 N	260.82 W	599.75 N 25 46 42 W	10.322
4472	72 0	4173.88	645.41	N 22 0 W	592.21 N	283.50 W	656.57 N 25 34 52 W	11.227
4532	78 0	4189.40	703.02	N 20 0 W	646.29 N	304.26 W	714.33 N 25 12 36 W	10.506
4653	86 0	4206.23	822.37	N 19 0 W	759.15 N	344.22 W	833.54 N 24 23 28 W	6.662
4774	86 0	4214.67	942.78	N 19 0 W	873.28 N	383.52 W	953.78 N 23 42 36 W	.000
4896	88 0	4221.05	1064.23	N 20 0 W	983.11 N	424.19 W	1075.31 N 23 14 0 W	1.832
5017	90 0	4229.12	1186.75	N 17 0 W	1104.01 N	484.30 W	1173.87 N 22 43 17 W	2.613
5138	92 0	4223.17	1305.81	N 18 0 W	1218.19 N	498.94 W	1316.40 N 22 16 23 W	2.613
5259	93 0	4217.89	1426.58	N 17 0 W	1333.47 N	535.29 W	1436.90 N 21 52 19 W	1.168
5380	95 0	4209.45	1547.25	N 15 0 W	1449.49 N	568.56 W	1557.01 N 21 25 3 W	2.335
5501	95 0	4198.90	1667.79	N 15 0 W	1565.92 N	599.76 W	1676.85 N 20 57 26 W	.000
5672	97 0	4181.03	1837.84	N 14 0 W	1730.56 N	642.33 W	1845.92 N 20 21 49 W	1.306
5744	98 0	4171.63	1909.21	N 14 0 W	1799.82 N	659.60 W	1916.88 N 20 7 37 W	1.389
5865	98 0	4154.79	2028.99	N 13 0 W	1916.33 N	687.58 W	2035.95 N 19 44 16 W	.818
5985	98 0	4138.09	2147.75	N 13 0 W	2032.12 N	714.31 W	2154.01 N 19 22 1 W	.000
6107	98 0	4121.11	2268.45	N 12 0 W	2150.07 N	740.46 W	2274.00 N 19 0 11 W	.812
6130	98 0	4117.91	2291.19	N 12 0 W	2172.34 N	745.19 W	2296.60 N 18 56 2 W	.000

PROJECTED

BOTTOM HOLE CLOSURE 2296.60 FEET AT N 18 56 2 W



MD 6107. TVD 4121.11
2150.07N 740.46W
BHC 2296.60 FEET AT N 18. 56. 2. W



DATE: 12-14-90
DRAWN BY: Computer
CHECKED BY: jh

VETERAN EXPLORATION COMPANY
SAN ISIDRO WELL NO. 12-10
RIO PUERCO FIELD
SANDOVAL COUNTY, NEW MEXICO
(ENERGY SEARCH DRILLING RIG 1)

SURFACE
LOCATION

SCALE: 250.00 FEET/1 CH