

HALLADOR PETROLEUM, LLP**DEVIATION REPORT**

NAME OF COMPANY		ADDRESS			
HALLADOR PETROLEUM, LLP		1660 LINCOLN ST., SUITE 2700, DENVER, CO 80264			
LEASE	WELL NO	UNIT LETTER	SECTION	TOWNSHIP	RANGE
HORTON	1	B	7	31N	11W
POOL		COUNTY			
BLANCO-MESAVERDE		SAN JUAN, NEW MEXICO			

DEPTH

895'
1224'
1673'
2131'
2643'

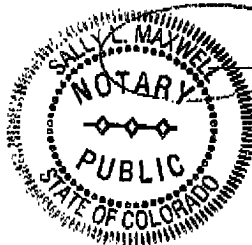
DEVIATION

1/2°
3/4°
3/4°
3/4°
3/4°

I, the undersigned, certify that I, acting in my capacity as Petroleum Engineer for Hallador Petroleum, LLP, am authorized by said Company to make this report; and that this report was prepared by me or under my supervision and directions and that the facts stated herein are true to the best of my knowledge and belief.

[Signature]

Subscribed and sworn to before me on this the 29th day of September, 2000.



[Signature]
Sally L. Maxwell
Notary Public

My commission expires: May 12, 2001

Well Data: 7 in. Intermediate

Depth	1,949 ft.
Casing Size	7 in., 20 lbs./ft.
Open Hole Diameter	8 3/4 in.
Previous Csg. Depth	250 ft.
Previous Csg. Size	9 5/8 in., 32.4 lbs./ft.
BHST	100 °F
BHCT	88.5 °F
Total Excess	100 %
Lead Excess (calculated O.H.)	100.0 %
Tail Excess	100 %

Mud Wt./Type: 9 ppg Fresh Wtr. Based

Calculations:

Volume Factors:

Casing x Open Hole	0.1503 cu.ft./ft
Casing x Previous Casing	0.1737 cu.ft./ft
Casing (Internal)	0.2275 cu.ft./ft

Top of Lead
Top of Tail
Surface
1,699 ft.

Lead System:

Open Hole Fill
Previous Casing Fill
(1,449 x 0.1503 x 2.0) / 2.94 = 148 sks.
(250 x 0.1737) / 2.94 = 15 sks.
Total Lead Cement = 163 sks.

Tail System:

Open Hole Fill
Casing Shoe Cement
(250 x 0.1503 x 2.) / 1.19 = 63 sks.
(80 x 0.2275) / 1.19 = 15 sks.
Total Tail Cement = 79 sks.

