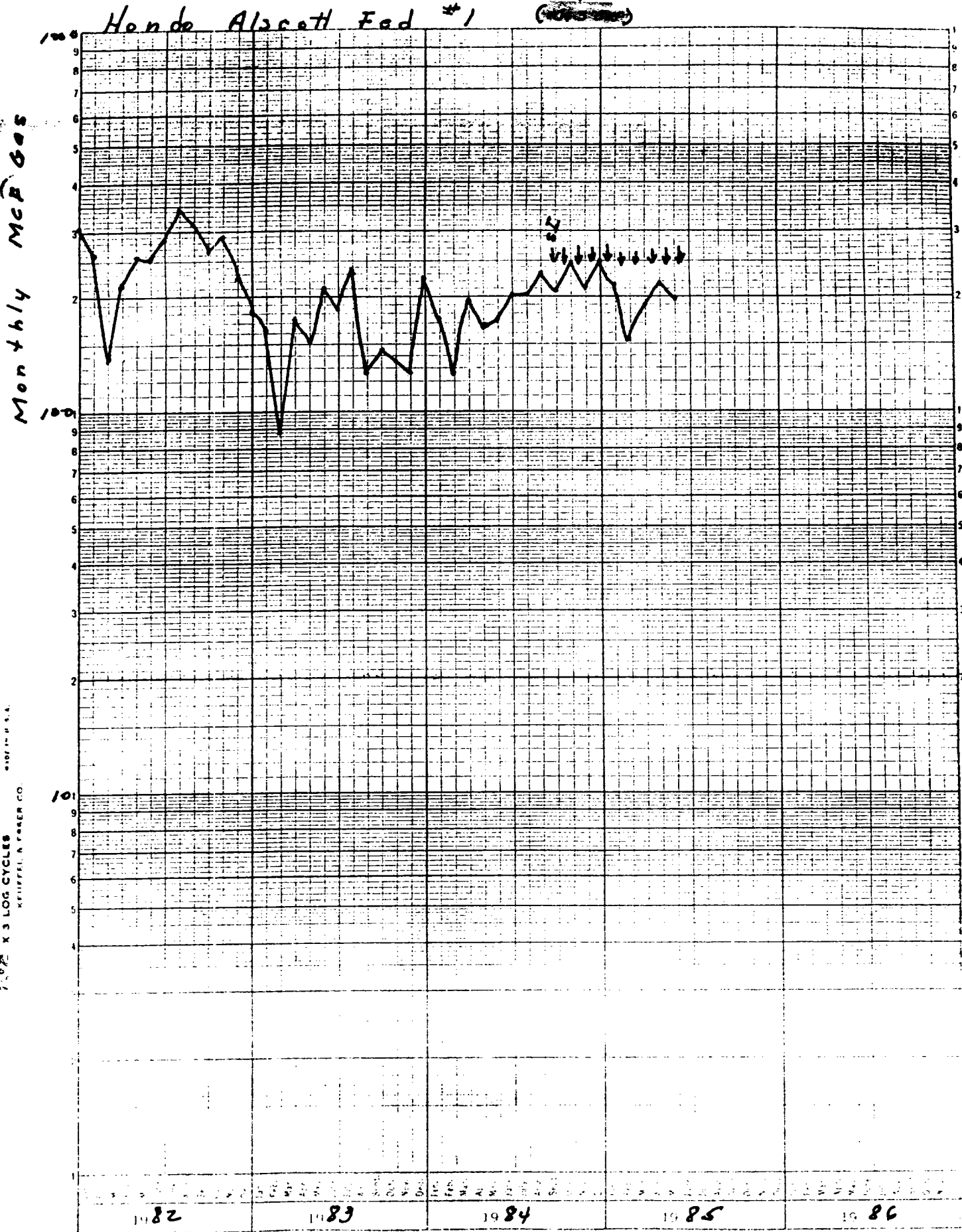
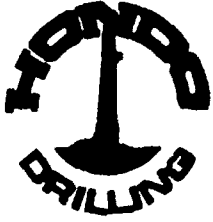






HONDO DRILLING COMPANY

POST OFFICE DRAWER 2516 • MIDLAND, TEXAS 79702 • [915] 682-9401

FEDERAL ALSCOTT #1

U.S. Lease #NM-19606 - NW/4 NE/4 - U.S. Lease #NM-0924 - Lots 1 & 2 (W/2 NW/4), E/2 NW/4, NE/4 NE/4, S/2 NE/4, Section 31, T-18-S, R-29-E, N.M.P.M., Eddy County, New Mexico, 305.17 acres, more or less

<u>Month</u>	<u>Gas Production</u>	<u>WI Income</u>	<u>Cost of Operations</u>	<u>Profit or Loss</u>
January 1984	174	\$ 502.73	\$ 1,004.02	\$ (501.29)
February	127	356.69	898.18	(541.49)
March	198	559.62	901.31	(341.69)
April	169	480.64	890.05	(409.41)
May	176	503.79	884.53	(380.74)
June	201	579.05	898.23	(319.18)
July	205	594.86	755.47	(160.61)
August	232	677.14	691.61	(14.47)
September	205	618.68	703.45	(84.77)
October	246	746.74	704.55	42.19
November	213	650.60	675.69	(25.09)
December	244	(95.80)	636.72	(732.52)
January 1985	215	664.84	893.32	(228.48)
February	154	478.67	709.15	(230.48)
March	190	593.63	1,006.60	(412.97)
April	219	687.75	825.90	(138.15)
May	199	629.58	724.73	(95.15)