`XY USA Inc. Braveheart Fed. #1 Eddy Co., NM

Davis Stewart -

STATE OF NEW MEXICO DEVIATION REPORT

| 190 | 3/4 |
|-------|-----|
| 400 | 1 |
| 785 | 1/2 |
| 1,227 | 1 |
| 1,609 | 1/2 |
| 1,802 | 3/4 |
| 2,298 | 3/4 |
| 2,772 | 1 |
| 3,249 | 3/4 |
| 3,726 | 3/4 |
| 4,139 | 3/4 |
| 4,614 | 3/4 |
| 5,090 | 1/4 |
| 5,586 | 1/2 |
| 6,086 | 3/4 |
| 6,544 | 3/4 |
| 6,809 | 1/4 |
| 7,311 | 1/2 |
| 7,785 | 1 |
| 7,907 | 3/4 |
| 8,406 | 1/2 |
| 8,904 | 1 |
| 9,154 | 1 |
| 9,316 | 3/4 |
| | |

By: Ray Peterson

STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me this 2nd day of February , 1998 , by RAY PETERSON on behalf of PETERSON DRILLING COMPANY.

Notary Public for Midland

My Commission Expires: 8/2/2000 County, Texas

