

WELL NAME AND NUMBER Wilmar Federal #3

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LOCATION Section 4, T18S, R31E, Eddy County, New Mexico  
(New Mexico give U.S.T. & R. - Texas give S, BLK, SURV. and TWP)OPERATOR Hondo Oil and Gas CompanyDRILLING CONTRACTOR MORANCO Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above-described well and that he has conducted deviation tests and obtained the following results:

| <u>Degrees and Depth</u> | <u>Degrees and Depth</u> | <u>Degrees and Depth</u> | <u>Degrees and Depth</u> |
|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>1/2 243</u>           | <u>3/4 4646</u>          | <u>3 1/2 5727</u>        | <u>2 3/4 6910</u>        |
| <u>1/2 685</u>           | <u>3/4 4730</u>          | <u>4 1/4 5820</u>        | <u>2 3/4 7038</u>        |
| <u>3/4 1084</u>          | <u>1 1/2 4824</u>        | <u>4 1/2 5914</u>        | <u>2 1/2 7160</u>        |
| <u>1/2 1487</u>          | <u>1 1/4 4918</u>        | <u>4 6007</u>            | <u>2 1/2 7285</u>        |
| <u>1 1/4 1888</u>        | <u>2 5010</u>            | <u>3 3/4 6101</u>        | <u>2 3/4 7311</u>        |
| <u>1/4 2180</u>          | <u>2 5105</u>            | <u>3 1/4 6192</u>        | <u>2 7445</u>            |
| <u>3/4 2701</u>          | <u>2 5198</u>            | <u>3 1/4 6288</u>        | <u>2 7573</u>            |
| <u>3/4 3199</u>          | <u>2 1/2 5290</u>        | <u>2 3/4 6383</u>        | <u>1 3/4 7729</u>        |
| <u>3/4 3511</u>          | <u>2 1/4 5390</u>        | <u>2 1/2 6507</u>        | <u>1 1/2 8035</u>        |
| <u>3/4 3914</u>          | <u>4 5478</u>            | <u>2 1/2 6631</u>        | <u>1 1/4 8540</u>        |
| <u>1 1/4 4198</u>        | <u>3 3/4 5570</u>        | <u>3 6726</u>            |                          |
| <u>1 4521</u>            | <u>4 5654</u>            | <u>2 3/4 6819</u>        |                          |

Drilling Contractor MORANCO Drilling, Inc.

By

Wiley Gilmore  
Wiley Gilmore - Marketing ManagerSubscribed and sworn to before me this 29th day of July 19 86

My Commission expires:

January 30, 1989Susie Branyon  
Notary Public Susie Branyon  
Lea County, New Mexico