

LANDIS DRILLING COMPANY
POST OFFICE BOX 3579
MIDLAND, TEXAS 79702

PAGE TWO

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SEP 3 1981

OPERATOR Threshold Development Co. ADDRESS 777 Taylor - Suite 11A
Fort Worth, Texas
LEASE NAME Flag "TD" State WELL NO. 1 FIELD ARIES
LOCATION 1980' FNL & 1739' FWL, Sec. 18, T19S, R29E, Eddy County, New Mexico

| DEPTH | ANGLE INCLINATION DEGREES | DISPLACEMENT | DISPLACEMENT ACCUMULATED |
|--------|------------------------------|--------------|-----------------------------|
| 7,686 | 1-3/4 | 2.81 | 170.47 |
| 7,841 | 1-1/4 | 3.38 | 173.85 |
| 7,994 | 1-1/2 | 4.01 | 177.86 |
| 8,244 | 1-1/4 | 5.46 | 183.32 |
| 8,430 | 1/2 | 1.62 | 184.94 |
| 8,742 | 1 | 5.44 | 190.38 |
| 8,889 | 3/4 | 1.92 | 192.30 |
| 9,319 | 1 | 7.50 | 199.80 |
| 9,750 | 1 | 7.52 | 207.32 |
| 9,842 | 1-1/4 | 2.01 | 209.33 |
| 10,344 | 1-1/2 | 13.14 | 222.47 |
| 10,578 | 1-3/4 | 7.15 | 229.62 |
| 11,138 | 1-1/4 | 12.22 | 241.84 |
| 11,461 | 1 | 5.64 | 247.48 |

I hereby certify that the above data as set forth is true and correct to the best of my knowledge and belief.

LANDIS DRILLING COMPANY

Gary W. Chappell
TITLE Contracts Manager

AFFIDAVIT:

Before me, the undersigned authority, appeared Gary W. Chappell known to me to be the person whose name is subscribed herebelow, who on making deposition, under oath states that he is acting for and in behalf of the Operator of the well identified above, and that to the best of his knowledge and belief such well was not intentionally deviated from the true vertical whatsoever.

Sandy Smith
AFFIDANT'S SIGNATURE

Sworn and subscribed to in my presence on this the 12th day of May, 1981

Sandy Smith
Notary Public in and for the