

WELL NAME AND NUMBER Big Red Federal Com #1

LOCATION Section 30, T-18-S, R-31-E, Eddy County, New Mexico

OPERATOR Chi Energy Inc., 212 N. Main, Suite 200, Midland, Texas 79701

DRILLING CONTRACTOR TMBR/Sharp Drilling, Inc., P. O. Drawer 10970, Midland, TX 79702

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:

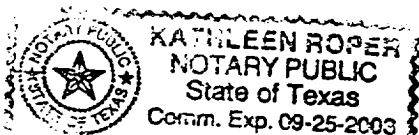
Degrees @ Depth	Degrees @ Depth	Degrees @ Depth	Degrees @ Depth
.50 @ 134'	1.00 @ 3,187'	1.00 @ 6,090'	.75 @ 9,192'
.25 @ 289'	.50 @ 3,454'	.75 @ 6,341'	1.00 @ 9,215'
1.25 @ 485'	.50 @ 3,737'	.75 @ 6,592'	1.50 @ 9,412'
1.25 @ 604'	1.00 @ 3,987'	.75 @ 6,842'	1.00 @ 9,568'
1.00 @ 726'	.75 @ 4,237'	2.50 @ 7,092'	.75 @ 9,755'
.75 @ 815'	.75 @ 4,523'	.75 @ 7,341'	1.25 @ 9,942'
1.00 @ 1,000'	1.00 @ 4,743'	.75 @ 7,438'	1.50 @ 10,130'
.75 @ 1,189'	1.75 @ 4,931'	.75 @ 7,561'	2.00 @ 10,317'
1.50 @ 1,937'	2.00 @ 5,025'	.75 @ 7,813'	1.50 @ 10,400'
.75 @ 2,062'	1.75 @ 5,120'	.75 @ 7,939'	1.50 @ 10,525'
.25 @ 2,249'	1.75 @ 5,276'	1.00 @ 8,219'	1.25 @ 10,745'
1.00 @ 2,437'	1.75 @ 5,432'	.75 @ 8,469'	.75 @ 10,963'
.50 @ 2,624'	1.25 @ 5,589'	1.25 @ 8,720'	1.25 @ 11,298'
.50 @ 2,812'	1.25 @ 5,745'	1.00 @ 8,846'	.75 @ 11,403'
.50 @ 3,000'	1.25 @ 5,934'	1.00 @ 8,972'	.75 @ 11,654'

Drilling Contractor TMBR/Sharp Drilling, Inc.

By

Jeffrey D. Phillips, President

Subscribed and sworn to before me this 19th day of April, 2002



Commission expires: 9/25/03

Kathleen Roper
Notary Public

Kathleen Roper


Midland

County, Texas



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By Jeffrey D. Phillips
Jeffrey D. Phillips, President


 GREEN ROPER
 NOTARY PUBLIC
 State of Texas
 Comm. Exp. 09-25-2003
 n expires: 9/25/03

Commision expires: 9/25/03 Midland County, Texas

Kathleen Roper
Notary Public Kathleen Roper

Midland County, Texas