Black Hills Gas Resources, Inc. c/o Mike Pippin LLC 3104 N. Sullivan Avenue Farmington, NM 87401 505-327-4573 (phone) **505-564-8656 (fax)

Email: mike@pippinllc.com

August 8, 2006

RE:

Drilling Deviation Report

Jicarilla 457-10 #11 D Sec. 10 T30N R3W Rio Arriba County, NM API#: 30-039-29326

This letter is to certify that Patterson Rig #744 did run deviation surveys at the below listed depths on the Jicarilla 457-10 No. 11 (D Sec. 10 T30N R3W, Rio Arriba County, NM).

<u>Depth</u>	Deviation (degrees)
246'	1
735'	1-1/2
1264'	2-1/4
1741'	2
2263'	2
2762'	2-1/4
3291'	1-3/4
3759'	0

To the best of my knowledge, I swear this information to be true.

Sincerely

Mike Pippin

Petroleum Engineer

STATE OF: NEW MEXICO) COUNTY OF: SAN JUAN)

On <u>August 8</u>,2006, before me appeared <u>Mike Pippin</u> and acknowledged that he had

signed the above.

Notary Public

October 29, 2009

My commission expires

OFFICIAL SEAL
Norma Jean Schlueter
NOTARY PUBLIC - STATE OF NEW MEXICO
Notary Bond Filed with Secretary of State
My Commission Expires 10128 2001