

L & B Speed Drill, Inc.

P.O. BOX 70 • FARMINGTON, NEW MEXICO 87499-0070 • (505) 325-1079

DATE: 10/20/2003

30-045-31373

TO: Merrion Oil & Gas Corporation
610 Reilly Avenue
Farmington, NM 87401



Re: Directional Survey:

Well Navajo No. 1R
1654' FSL & 815' FWL
Sec. 3, T26N, R11W

Below is the directional survey for your well Navajo No 1R.

120' 3/4°
600' 3/4°
1200' 1°
1950' 1°

ACKNOWLEDGEMENT

STATE OF NEW MEXICO]
COUNTY OF SAN JUAN]

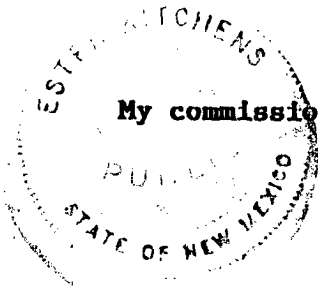
SIGNED & ACKNOWLEDGED BY:

James L. Ludwick
JAMES L. LUDWICK, PRESIDENT

The foregoing instrument was acknowledged before me this 20th day of Oct. 2002.

John H. Hatcher
NOTARY PUBLIC

My commission expires: 10/23/2003



10/22/2003