

# LADD PETROLEUM CORPORATION

200 Midland Executive Building  
P. O. Box 7961  
Midland, Texas 79701  
Telephone (915) 684-9975

November 15, 1982

New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

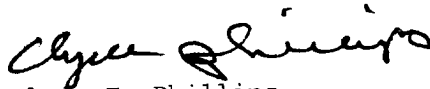
RE: Ladd Petroleum Corporation  
U.S. Argo #3  
Sec. 18, T27N, R10W  
1009' FNL, 1813' FWL  
San Juan County, New Mexico

Gentlemen:

This is to certify that deviation tests were run on the above captioned well and the following is a true report of those tests:

5.5° @ 1755'  
9.585' horizontal deviation/100'  
168.2' horizontal deviation  
1746.8' true verticle depth

Sincerely,

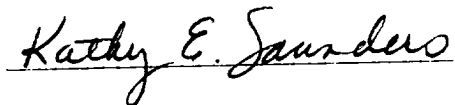


Clyde E. Phillips  
District Superintendent

MGZ/kes

STATE OF TEXAS           )  
                                  ) ss.  
COUNTY OF MIDLAND    )

Subscribed and sworn to before me this 17th day of November, 1982.



Notary Public  
In and for the County of Midland, Texas  
My commission expires August 31, 1984