

WELL NAME AND NUMBER Porterhouse State Com #1
 LOCATION Section 32, 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:

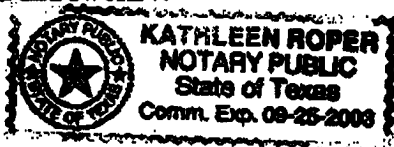
Degrees @ Depth	Degrees @ Depth	Degrees @ Depth	Degrees @ Depth
.75 @ 237'	.75 @ 3,299'	.50 @ 6,282'	1.00 @ 8,432'
.75 @ 409'	.75 @ 3,580'	1.00 @ 6,530'	1.50 @ 8,556'
1.00 @ 752'	1.00 @ 3,792'	1.25 @ 6,717'	1.00 @ 8,649'
1.00 @ 967'	1.00 @ 3,948'	.75 @ 6,810'	.75 @ 8,776'
.75 @ 1,211'	.50 @ 4,133'	1.25 @ 6,935'	.75 @ 8,899'
.75 @ 1,398'	1.00 @ 4,321'	.75 @ 7,058'	1.75 @ 9,088'
1.00 @ 1,709'	1.00 @ 4,538'	1.25 @ 7,184'	1.50 @ 9,181'
2.00 @ 1,990'	1.00 @ 4,726'	1.75 @ 7,278'	1.00 @ 9,337'
2.00 @ 2,094'	1.00 @ 4,883'	2.00 @ 7,372'	1.00 @ 9,431'
1.75 @ 2,178'	1.00 @ 5,097'	1.25 @ 7,465'	1.25 @ 9,587'
1.25 @ 2,303'	1.00 @ 5,438'	1.00 @ 7,591'	.75 @ 9,744'
1.25 @ 2,354'	1.00 @ 5,534'	1.00 @ 7,747'	.75 @ 9,899'
.75 @ 2,552'	1.25 @ 5,783'	1.00 @ 7,936'	1.75 @ 10,119'
.75 @ 2,800'	.75 @ 5,970'	1.00 @ 8,122'	1.50 @ 10,212'
1.00 @ 3,051'	.50 @ 6,127'	.75 @ 8,277'	1.00 @ 10,304'

Drilling Contractor TMBR/Sharp Drilling, Inc.

By Jeffrey D. Phillips

Jeffrey D. Phillips, President

Subscribed and sworn to before me this 14th day of May 2003



Kathleen Roper
Notary Public Kathleen Roper

Commission expires: 9/25/03

Midland County, Texas

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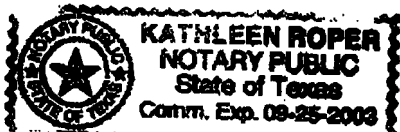
<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
<u>1.00 @ 10,460'</u>	<u> </u>	<u> </u>	<u> </u>
<u>.75 @ 10,523'</u>	<u> </u>	<u> </u>	<u> </u>
<u>.75 @ 10,676'</u>	<u> </u>	<u> </u>	<u> </u>
<u>.50 @ 10,862'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1.00 @ 11,049'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1.75 @ 11,299'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1.50 @ 11,518'</u>	<u> </u>	<u> </u>	<u> </u>
<u>1.75 @ 11,673'</u>	<u> </u>	<u> </u>	<u> </u>
<u>2.25 @ 11,861'</u>	<u> </u>	<u> </u>	<u> </u>
<u>2.50 @ 12,048'</u>	<u> </u>	<u> </u>	<u> </u>
<u>2.75 @ 12,210'</u>	<u> </u>	<u> </u>	<u> </u>
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