Schlumberger Anadrill

MDC Operations 9900 West Interstate 20 Midland, Texas 79706 Phone (915) 563-3057 Fax (915) 563-3059

August 25, 1998

Oil Conservation Division District I P.O. Box 1960 Hobbs, New Mexico 88241-1960

> Re: OXY USA, Inc. Wallace State Com #1 Section 9, T17S, R27E, Lot F Eddy County, New Mexico API # 30.005-30240

Enclosed, please find the original and one copy of the survey performed on the referenced well by Anadrill, a division of Schlumberger Technology Corporation. Other information required by your office is as follows:

Name & Title of Surveyor	Drainhole Number	Surveyed Depths	Dates Performed	<u>Type of Survey</u>
John Hawkes MWD I	#01	7810' to 9112'	8/14/98 - 8/20/98	MWD/D&I

A certified plat on which the bottom hole is oriented both to the surface location and to the lease lines (or unit lines in case of pooling) is attached to the survey report. If any other information is required, please contact the undersigned at the letterhead address and phone number.

Sincerely,

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Tom Follis MWD Coordinator

Cc: OXY USA, Inc.

Enclosures: 2

