

McGRATH & SMITH, INC.

418 BANK OF THE SOUTHWEST  
MIDLAND, TEXAS 79701

MUTUAL 3-4661

July 21, 1969

STATE OF NEW MEXICO X

COUNTY OF ROOSEVELT X

BEFORE ME, the undersigned authority, on this day personally appeared James B. Taylor of lawful age, who being by me first duly sworn, on his oath deposes and says as follows:

THAT he is a Engineer for the firm McGrath & Smith, Inc., oil operators of Midland County, State of Texas, and that the following is a list of the deviation surveys conducted on the McGrath & Smith, Inc. Pan Am State #1 well located 1980 feet from the East line and 990 feet from the North line of Section 36, Township 8 South, Range 35 East, Roosevelt County, New Mexico, to-wit:

| <u>Depth</u> | <u>Deviation°</u> | <u>Depth</u> | <u>Deviation°</u> |
|--------------|-------------------|--------------|-------------------|
| 375          | $\frac{1}{2}$     | 7396         | $\frac{1}{2}$     |
| 1691         | $\frac{1}{2}$     | 8000         | $\frac{3}{4}$     |
| 3200         | 1                 | 8180         | $\frac{1}{2}$     |
| 3443         | 1- $\frac{3}{4}$  | 8400         | 1 $\frac{1}{2}$   |
| 4055         | 1 $\frac{1}{2}$   | 8615         | $\frac{3}{4}$     |
| 4200         | $\frac{3}{4}$     | 8690         | $\frac{1}{2}$     |
| 4692         | $\frac{1}{2}$     | 9114         | $\frac{3}{4}$     |
| 5026         | $\frac{3}{4}$     | 9300         | $\frac{3}{4}$     |
| 5481         | 1                 | 9709         | $\frac{1}{2}$     |
| 5850         | $\frac{3}{4}$     | 9560         | 1                 |
| 6400         | $\frac{3}{4}$     | 9840         | 1                 |
| 6850         | $\frac{3}{4}$     | 9842         | TD                |
| 7123         | 1- $\frac{3}{4}$  |              |                   |

James B. Taylor  
James B. Taylor

SWORN TO AND SUBSCRIBED BEFORE ME, this 21st day of July, 1969.

Pauline B. Hobbs  
Notary Public in and for Midland  
County, Texas Pauline Hobbs

STATE OF TEXAS X

COUNTY OF MIDLAND X

The foregoing was acknowledged before me this 21st day of July, 1969, by JAMES B. TAYLOR.

My commission expires June 1, 1971

Pauline B. Hobbs  
Notary Public