

WELL NAME & NUMBER "BH" STATE No. 1

LOCATION 1980' FNL 2310' FEL, Section 19, T-16-S, R-35-E
(Give Unit, Section, Township and Range)

OPERATOR Terra Resources, Inc., 10 Desta Drive, Suite 500 West, Midland, TX 79705

DRILLING CONTRACTOR Grace Drilling Company, P.O.Box 4919, Odessa, TX 79760

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
187 .25	6,084 1.00	12,720 1.25	
412 .50	6,422 0.75	12,967 1.50	
897 1.00	6,770 1.00	13,206 0.75	
1,393 2.25	7,200 0.50	13,137 0.75	
1,612 1.00	7,699 0.50	13,592 1.25	
1,857 0.75	8,147 0.75	13,884 1.75	
2,290 0.75	8,635 0.25	14,200 1.75	
2,755 0.25	9,132 0.50		
3,261 1.00	9,251 0.75		
3,758 0.75	9,751 0.25		
4,258 1.00	10,245 1.00		
4,660 0.75	10,678 1.00		
4,968 1.00	11,218 1.75		
5,406 0.50	11,643 1.75		
5,751 0.25	12,097 1.00		

Drilling Contractor Grace Drilling Company

By Bob Swan

Subscribed and sworn to before me this 6th day of April, 19 87

Kimberly L. Whitford
Notary Public Kimberly L. Whitford

My Commission Expires 10-8-90

Midland County Texas