

Schlumberger**Anadrill**

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

June 14, 1999
Oil Conservation Division
District I
P.O. Box 1960
Hobbs, New Mexico 88241-1960

Re: Amerind Oil Company, LTD
Gallagher State Com #2
Section 2, T16S, R35E
Lea County, NM
API # 30-025-33385

SUR:

Lot 6
2646/N & 2299/W

BHL:

Lot 7, 2385/N & 2648/W

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:

<u>Name & Title of Surveyor</u>	<u>Drainhole Number</u>	<u>Surveyed Depths</u>	<u>Dates Performed</u>	<u>Type of Survey</u>
Jeff Bull	#01	11500' to 12469'	5/15/99 – 5/21/99	MWD/D&I
MWD I	#02	11992' to 12508'	5/30/99 – 6/9/99	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,



Eric Fontenot
Well Planner

Cc: Amerind Oil Company, LTD

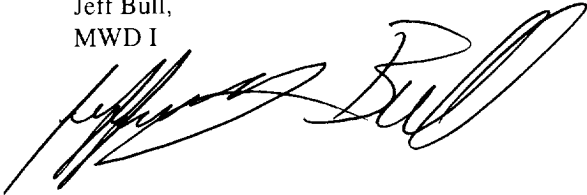
Enclosures: 2

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State of Texas
County of Midland

I, Jeff Bull, certify that; I am employed by Anadrill, a division of Schlumberger Technology Corporation; that I did on the day's of 5/15/99 through 6/9/99 conduct or supervise the taking of MWD surveys from a depth of 11500 feet to a depth of 12508 feet; that the data is true, correct, complete and within the limitations of the tool as set forth by Anadrill, a division of Schlumberger Technology Corporation; that I am authorized and qualified to make this report; that this survey was conducted at the request of Amerind Oil Company, LTD, for the Gallagher State Com #2-X, API # 30-025-33385, in Lea County, New Mexico; and that I have reviewed this report and find that it conforms to the principles and procedures as set forth by Anadrill, a division of Schlumberger Technology Corporation.

Jeff Bull,
MWD I

A handwritten signature in black ink, appearing to read "Jeff Bull", with a stylized flourish at the end.

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Anadrill Schlumberger Survey Report 5/29/99 8:36:24 AM

Magnetic Declination: 8.91 DEG

Tie In Point (TIP):

Measured Depth 11500 FT.
True Vertical Depth 11499.25 FT.
Inclination .69 DEG
Azimuth 10.09 DEG
N/S Displacement(-ve for S) 67.01 FT.
E/W Displacement(-ve for W) 5.83 FT.
Azim. From Rotary Table To Target 67.51
DEG

Accepted Survey Listing:

M.Depth (ft)	Int. (ft)	TVD (ft)	TargetS (ft)	Incl. (deg)	Azim (deg)	N.Disp (ft)	E.Disp (ft)	T.Disp (ft)	Clr.Ang (deg)	DLS (D/HF)
11692	192	11691.25	31.65	0.43	157	67.49	6.31	67.78	5.35	0.56
11809	117	11808.25	31.47	0.2	217.7	66.92	6.36	67.23	5.43	0.32
11839	30	11838.25	31.46	0.17	27	66.92	6.35	67.22	5.42	1.23
11868	29	11867.22	32.6	4.56	84.45	67.07	7.52	67.49	6.4	15.42
11900	32	11899	36.24	8.72	72.87	67.91	11.11	68.81	9.29	13.59
11931	31	11929.4	42.26	13.8	61.47	70.37	16.61	72.3	13.28	17.81
11962	31	11959.06	51.12	19.85	56.83	75.02	24.27	78.85	17.93	19.98
11992	30	11986.84	62.2	24.47	54.95	81.38	33.63	88.05	22.45	15.58
12024	32	12015.37	76.4	29.34	57.64	89.39	45.69	100.39	27.07	15.68
12056	32	12042.53	93.07	34.43	58.15	98.37	60.01	115.22	31.38	15.93
12087	31	12067.19	111.63	40.14	59.57	108.06	76.08	132.16	35.15	18.63
12118	31	12089.65	132.72	46.94	57.96	119.14	94.32	151.96	38.37	22.22
12149	31	12109.47	156.33	53.54	61.99	131.02	114.95	174.3	41.26	23.51
12165	16	12118.56	169.44	57.2	62.79	137.12	126.61	186.64	42.72	23.24
12182	17	12127.24	184	61.4	62.9	143.79	139.61	200.42	44.16	24.71
12211	29	12140.6	209.67	63.74	64.13	155.27	162.65	224.86	46.33	8.9
12242	31	12154.57	237.3	62.67	64.46	167.27	187.58	251.33	48.28	3.58
12305	63	12184.82	292.52	59.94	67.06	189.97	237.95	304.48	51.4	5.65
12337	32	12201.24	319.99	58.34	68.89	200.27	263.41	330.9	52.75	7.01
12369	32	12218.22	347.08	57.56	71.03	209.57	288.89	356.89	54.04	6.17
12400	31	12234.92	373.13	57.27	72.78	217.68	313.72	381.84	55.24	4.85
12469	69	12272.56	430.75	56.62	72	235.17	368.84	437.44	57.48	1.34

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Anadrill Schlumberger Survey Report 6/12/99 8:12:28 AM

Magnetic Declination: 8.91 DEG

Sidetrack #1

Tie In Point

(TIP):

Measured Depth 11992 FT.

True Vertical Depth 11986.83 FT.

Inclination 24.47 DEG

Azimuth 54.95 DEG

N/S Displacement(-ve for S) 81.38 FT.

E/W Displacement(-ve for W) 33.6 FT.

Azim. From Rotary Table To Target 53.7
DEG

Accepted Survey Listing:

M.Depth (ft)	Int. (ft)	TVD (ft)	TargetS (ft)	Incl. (deg)	Azim (deg)	N.Disp (ft)	E.Disp (ft)	T.Disp (ft)	Clr.Ang (deg)	DLS (D/HF)
12021	29	12013.12	87.5	25.49	51.12	88.75	43.38	98.78	26.05	6.59
12048	27	12037.44	99.11	26.07	41.39	96.85	51.83	109.85	28.15	15.8
12064	16	12051.61	106.38	29.23	42.79	102.36	56.81	117.06	29.03	20.16
12079	15	12064.53	113.9	31.87	45.47	107.83	62.12	124.44	29.95	19.8
12094	15	12077.04	122.09	35.05	45.88	113.61	68.04	132.42	30.92	21.25
12128	34	12103.84	142.85	40.83	48.04	127.85	83.33	152.61	33.09	17.44
12159	31	12126.61	163.84	44.63	53.35	141.14	99.61	172.75	35.21	16.88
12190	31	12148.25	186	46.89	58.96	153.48	118.05	193.63	37.57	14.87
12221	31	12168.56	209.2	51.24	63.48	164.72	138.58	215.26	40.07	17.83
12253	32	12187.66	234.44	55.45	64.79	175.91	161.68	238.92	42.59	13.56
12284	31	12205.32	259.44	55.08	64.83	186.75	184.73	262.68	44.69	1.2
12315	31	12223.23	284.22	54.32	65.68	197.34	207.71	286.51	46.47	3.32
12347	32	12241.93	309.61	54.18	66.05	207.96	231.41	311.12	48.06	1.04
12378	31	12260.06	334.13	54.25	67.17	217.94	254.49	335.06	49.42	2.94
12409	31	12278.44	358.42	53.04	66.73	227.71	277.46	358.94	50.62	4.07
12440	31	12297.03	382.58	53.28	66.9	237.48	300.27	382.83	51.66	0.89
12471	31	12315.52	406.94	53.51	64.27	247.77	322.93	407.02	52.5	6.85
12508	37	12337.48	436.35	53.7	61.1	261.43	349.39	436.37	53.19	6.92