

WELL NAME AND NUMBER FEDERAL No. 1

LOCATION SECTION 7, T-19-S, R-33-E, LEA COUNTY, NEW MEXICO  
(New Mexico give U, S, T & R; Texas give S, Bk., Sec. & Twp. when required)

OPERATOR NEXCO OIL COMPANY

DRILLING CONTRACTOR SHARP DRILLING Co., Inc.

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    |
|-------------------|-------------------|--------------------|--------------------|
| <u>3/4 111</u>    | <u>3/4 4066</u>   | <u>3 8377</u>      | <u>1 1/2 11990</u> |
| <u>1/4 316</u>    | <u>1/4 4255</u>   | <u>2 1/4 8992</u>  | <u>1/2 12170</u>   |
| <u>1/4 500</u>    | <u>1/2 4750</u>   | <u>2 1/2 9149</u>  | <u>1/2 12240</u>   |
| <u>3/4 862</u>    | <u>1/4 4845</u>   | <u>2 1/4 9242</u>  | <u>1/4 12820</u>   |
| <u>3/4 1208</u>   | <u>1/2 5110</u>   | <u>2 1/4 9366</u>  | <u>1/4 13092</u>   |
| <u>1 1521</u>     | <u>1/2 5230</u>   | <u>2 9375</u>      | <u>1/2 13280</u>   |
| <u>1 1/4 1866</u> | <u>1/2 5709</u>   | <u>1 3/4 9495</u>  | <u>1/4 13390</u>   |
| <u>1 2210</u>     | <u>3/4 6148</u>   | <u>1 1/4 9746</u>  | <u>1 1/4 13640</u> |
| <u>1 2525</u>     | <u>1 1/4 6640</u> | <u>1 1/4 10216</u> |                    |
| <u>1 2806</u>     | <u>1 1/2 7148</u> | <u>1 1/4 10550</u> |                    |
| <u>1 1/2 3155</u> | <u>3/4 7674</u>   | <u>1 1/2 10968</u> |                    |
| <u>1 1/2 3230</u> | <u>1 848</u>      | <u>1 1/2 11270</u> |                    |
| <u>1 1/2 3502</u> | <u>2 1/2 8523</u> | <u>1 1/4 11718</u> |                    |
| <u>1 1/2 3710</u> | <u>2 1/2 8711</u> | <u>1 1/2 11873</u> |                    |

Drilling Contractor SHARP DRILLING Co. Inc.

By R. E. Cross Jr.  
R. E. CROSS JR.

Subscribed and sworn to before me this 14TH day of JULY 1977

[Signature]  
Notary Public W. D. Allen

My Commission Expires:  
JUNE 1, 1979

MIDLAND County, TEXAS