

WELL NAME AND NUMBE. Shipp #3

LOCATION 510' FNL & 990' FWL of Section 11, T-17S, R-37E, Lea County, New Mexico
(New Mexlco give U.S.T.&R. - Texas give S, BLK, SURV. and TWP)

OPERATOR Charles B. Gillespie, Jr.

DRILLING CONTRACTOR MORANCO Drilling, 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:

<u>Degrees and Depth</u>	<u>Degrees and Depth</u>	<u>Degrees and Depth</u>	<u>Degrees and Depth</u>
<u>1/2</u> <u>224</u>	<u>1 3/4</u> <u>4932</u>	<u>3</u> <u>9718</u>	
<u>1</u> <u>455</u>	<u>1 3/4</u> <u>5472</u>		
<u>1</u> <u>949</u>	<u>1/2</u> <u>5929</u>	<u>DIRECTIONAL SURVEY TO 11,691'.</u>	
<u>3/4</u> <u>1473</u>	<u>1 1/4</u> <u>6424</u>		
<u>1/2</u> <u>1943</u>	<u>1 3/4</u> <u>6922</u>		
<u>3/4</u> <u>2433</u>	<u>1 3/4</u> <u>7370</u>		
<u>1/2</u> <u>2567</u>	<u>1 1/2</u> <u>7856</u>		
<u>1/2</u> <u>3134</u>	<u>2 1/4</u> <u>8170</u>		
<u>1/2</u> <u>3334</u>	<u>2</u> <u>8483</u>		
<u>1/2</u> <u>3630</u>	<u>1 1/2</u> <u>8977</u>		
<u>3/4</u> <u>4125</u>	<u>1 1/2</u> <u>9024</u>		
<u>3/4</u> <u>4452</u>	<u>3</u> <u>9519</u>		

Drilling Contractor MORANCO Drilling, Inc.

By Wiley Gilmore
Wiley Gilmore, Marketing Manager

Subscribed and sworn to before me this 18th day of July 1989

My Commisssion expires:

September 13, 1992

Virginia G. Perry
Notary Public
Lea County, New Mexlco