

LEASE & WELL:

Saunders K Gas #3

LOCATION

Sec. 18, T-19-S, R-37-E

Unit I 1980/S & 990/E

(Give Unit, Section, Township and Range)

OPERATOR

Texaco E & P

30-025-33392

DRILLING CONTRACTOR

NABORS DRILLING USA, 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
1 1/4 @ 277			
1 @ 445			
1 @ 741			
1 @ 1070			
1 1/4 @ 1384			
1 @ 1918			
1 1/4 @ 2389			
3/4 @ 3111			

Drilling Contractor

Nabors Drilling USA, Inc.

By

Jimmy Stroud
Jimmy Stroud

Subscribed and sworn to before me this 26th

day of

August

1996

Bernice K. Holder
Notary Public

My Commission Expires

MIDLAND

County

TEXAS

