

February 12, 1968

United States Dept. of the Interior
Geological Survey
205 North Luman
Hobbs, New Mexico

Re: Hanagan Petroleum Corporation #1 Federal, T-23-S, R-38-E, Lea
County, New Mexico.

Dear Sir:

The following lists of drift surveys taken on the subject well by Totco
method are as follows:

<u>Depth</u>	<u>Inclination</u>	<u>Depth</u>	<u>Inclination</u>	<u>Depth</u>	<u>Inclination</u>
386	3 deg.	4327	1 1/2 deg.	9077	
498	3 "	4600	1 1/2 deg.	9132	4 1/2 deg.
633	3 "	4925	1 1/2 "	9266	5 1/2 "
789	2 1/2 deg.	5237	1 deg.	9350	6 deg.
1036	1 3/4 "	5391	1 + deg.	9376	5 3/8 deg.
1280	1 1/2 "	5802	1 deg.	9450	5 3/4 "
1741	3/4 deg.	6019	1 1/4 deg.	9504	5 1/2 "
2005	1 "	6515	1 1/2 "	9564	4 3/4 "
2245	1 + "	6779	1 deg.	9659	5 deg.
2462	2 deg.	7290	1 3/4 deg.	9815	4 1/2 deg.
2556	2 1/4 deg.	7526		9994	5 + deg.
2644	1 3/4 "	7718	1 3/4 deg.	10,118	4 deg.
2770	1 deg.	8090	3 deg.	10,176	3 3/4 deg.
3099	1 3/4 deg.	8182	3 deg.	10,380	2 3/4 "
3340	1 1/2 deg.	8289	3 "	10,490	2 3/4 "
3700	2 deg.	8427	2 1/2 deg.	10,567	3 deg.
3794	2 "	8680	3 1/2 deg.		
3938	2 1/4 deg.	8815	3 1/2 "		
4094		9000	4 + deg.		

Yours very truly,
HANAGAN PETROLEUM CORPORATION

Sworn to and subscribed
in my presence this
12th day of February, 1968.

By: _____
Hugh E. Hanagan
Vice President

LUCILLE M. MYERS

Notary Public