

CAVALOZ DRILLING

P O. BOX 1500 (575) 3910699 FAX (575) 391- 3824 HOBBS, NEW MEXICO 88241

INCLINATION REPORT

DATE: 7/18/11

30-015-38649

WELL NAME AND NUMBER BKU # 697
LOCATION EDDY COUNTY
OPERATOR: COG LLC
DRILLING CONTRACTOR: CAVALOZ DRILLING RIG #3

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 TEST AND OBTAINED THE FOLLOWING RESULTS:

DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
<u>1.16</u>	<u>116</u>	<u>1.66</u>	<u>2445</u>		
<u>0.65</u>	<u>179</u>	<u>1.79</u>	<u>2697</u>		
<u>1.06</u>	<u>270</u>	<u>1.22</u>	<u>2982</u>		
<u>0.48</u>	<u>537</u>	<u>1.25</u>	<u>3420</u>		
<u>1.1</u>	<u>753</u>	<u>1.93</u>	<u>3861</u>		
<u>0.81</u>	<u>942</u>	<u>1.58</u>	<u>4300</u>		
<u>0.75</u>	<u>1399</u>	<u>0.92</u>	<u>4774</u>		
<u>2.06</u>	<u>1851</u>				
<u>2.1</u>	<u>2100</u>				
<u>2.66</u>	<u>2351</u>				

DRILLING CONTRACTOR:
CAVALOZ DRILLING

BY: Bob Wegner
BOB WEGNER
DRILLING SUPERINTENDENT



SUBSCRIBED AND SWORN TO BEFORE ME ON THE 18 DAY OF July, 2011

MY COMMISSION EXPIRES: 3/15

James S. [Signature]



OFFICIAL SEAL
JESSICA BUENO
NOTARY PUBLIC - STATE OF NEW MEXICO
My commission expires: 3/15