McKay Drilling Corporation

Roy L. McKay, President

Mailing Address: P.O. Box 2014 Roswell, NM 88202 * Telephone 575 / 623 - 4735 Street Address: One McKay Place Roswell, NM 88201 * Fax No. 575 / 624 - 2202

OIL GAS 30 005 64041

December 30, 2008

Bureau of Land Management

Attn: Angel Mayes 2909 W. Second Street Roswell, NM 88201-2019

RE:

Lookout C Fed #8

2310' FNL, 990' FEL, Unit H, Sec 9, T6S, R22E

Chaves County, New Mexico

Spud 09/22/08

DEVIATION SURVEY

2.5 500' ° @ 2.7 560' °Q 620' 900, 1500' 2880'

TD 3000 '

Released Date 10/13/08

Sincerely,

Carol Shanks

Production Analyst

STATE OF NEW MEXICO)

COUNTY OF CHAVES

The foregoing instrument was Acknowledged before me this 30th day of December, 2008, by the person known to me to be Carol Shanks.

My Commission Expires: 4

Notary Public

LEASES

PRODUCTION

INVESTMENTS