

INCLINATION REPORT

OPERATOR: MERIDIAN OIL INC.
LEASE NAME: SHUGART "A"
LOCATION: EDDY County, New Mexico

ADDRESS: 21 DESTA DRIVE
MIDLAND, TX 79705
WELL: #10 FIELD: _____

Measured Depth	Course Length	Angle of Inc.	Displacement Per 100 ft.	Course Displacement	Accumulative Displacement
507	507	1.00	1.75	8.8725	8.8725
904	397	0.50	0.87	3.4539	12.3264
1418	514	0.75	1.31	6.7334	19.0598
1896	478	2.50	4.36	20.8408	39.9006
2019	123	2.00	3.49	4.2927	44.1933
2287	268	1.25	2.18	5.8424	50.0357
2451	164	2.00	3.49	5.7236	55.7593
2672	221	1.50	2.62	5.7902	61.5495
2942	270	1.25	2.18	5.8860	67.4355
3421	479	0.75	1.31	6.2749	73.7104
3917	496	0.75	1.31	6.4976	80.2080
4010	93	0.75	1.31	1.2183	81.4263

I hereby certify that the above data as set forth is true and correct to the best of my knowledge and belief.

CACTUS DRILLING COMPANY

Cathy Pearce
TITLE: DRILLING SECRETARY

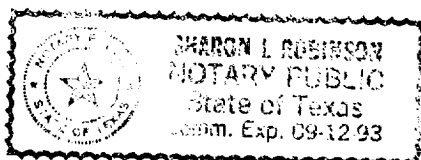
AFFIDAVIT:

Before me, the undersigned authority, appeared Cathy Pearce known to me to be the person whose name is subscribed hereabove, who, on making deposition, under oath states that she is acting for and in behalf of the Operator of the well identified above, and that to the best of her knowledge and belief such well was not intentionally deviated from the true vertical whatsoever.

Rebecca Edwards
AFFIANT'S SIGNATURE

Sworn and subscribed to in my presence on this 30 day of April, 1991.

Sharon L. Robinson
Notary Public in and for the
County of Midland, State of Texas.



RECEIVED

OCT 16 1991

O. C. D.
ARTESIA OFFICE