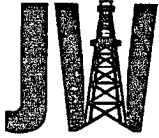


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JUL 28 2010

FASKEN OIL AND RANCH, LTD.



DRILLING INC. Oil Well Drilling Contractor

Post Office Box 160 Artesia, New Mexico 88211-0160 Office (575) 748-8704 Fax (575) 748-8719

July 26, 2010

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SEP 22 2010

HOBBSUCD

30-025-39340

N-16-205-34E

1230 FSL + 1980 FWL

Faskin Oil & Ranch, LTD
550 W. Texas, Suite 1300
Midland, Texas 79701

Re: Quail State 16 #2
Sec. 16, T-20-S, R-34-E
Lea County, New Mexico

Attn: Tommy Taylor

The following is a Deviation Survey on the referenced well in Lea County, New Mexico:

88' - 1°	1828' - 0.75°	6233' - 1.5°	10976' - 1.5°
123' - 0.2°	2195' - 0.5°	6730' - 1.5°	11479' - 1.25°
185' - 0.7°	2694' - 1°	7227' - 1.5°	11926' - 1.25°
246' - 1.2°	2971' - 2°	7724' - 1°	12423' - 2°
276' - 1.2°	3126' - 1.25°	8202' - 0.75°	12719' - 1.5°
307' - 1.2°	3372' - 2.25°	8687' - 1.25°	13148' - 2°
492' - 0.6°	3497' - 1.25°	9186' - 1.25°	13567' - 2°
524' - 0.3°	3743' - 2.25°	9685' - 2.75°	
555' - 0.2°	3991' - 3°	9890' - 1.5°	
653' - 0.5°	4085' - 2°	10349' - 3.25°	
747' - 0.25°	4335' - 1.75°	10476' - 2.75°	
990' - 0.25°	4553' - 2°	10598' - 3°	
1389' - 0.5°	4905' - 1°	10724' - 1.75°	
1578' - 1°	5736' - 2°	10854' - 2°	

Sincerely

Gary W. Chappell
Contracts Manager

STATE OF NEW MEXICO)
COUNTY OF EDDY)

The foregoing was acknowledged before me this 26th day of July, 2010 by Gary W. Chappell.

MY COMMISSION EXPIRES

4-29-12

Cheryl A. Bartlett
NOTARY PUBLIC



OFFICIAL SEAL
CHERYL A. BARTLETT
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 4-29-12