

INCLINATION REPORT

OPERATOR Mar alo Incorporated ADDRESS PO Box 832, Midland, Texas 79702
 LEASE NAME Jalmat Yates *Unit* WELL NO. 31 FIELD _____
 LOCATION Section 18, T-25S, R-37E, Lea County, New Mexico

DEPTH	ANGLE INCLINATION DEGREES	DISPLACEMENT	DISPLACEMENT ACCUMULATED
400	3/4	5.2400	5.2400
881	1	8.4175	13.6575
1582	1 1/4	15.2818	28.9393
2082	1	8.7500	37.6893
2727	1 1/2	16.8990	54.5883
3276	1 3/4	16.7445	71.3328
3500	2 1/4	8.8032	80.1360

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

John Ayers

 TITLE John Ayers, Office Manager

AFFIDAVIT:

Before me, the undersigned authority, appeared John Ayers
 known to me to be the person whose name is subscribed herebelow, who, on making
 deposition, under oath states that he is acting for and in behalf of the operator
 of the well identified above, and that to the best of his knowledge and belief such
 well was not intentionally deviated from the true vertical whatsoever.

John Ayers

 AFFIANT'S SIGNATURE

Sworn and subscribed to in my presence on this the 26th day of October, 1979

MY COMMISSION EXPIRES MARCH 1, 1980

Jerry L. Myrick

 Notary Public in and for the County
 of Lea, State of New Mexico

SEAL