

INCLINATION REPORT

OPERATOR S & D ADDRESS PO Box 186, Eunice, New Mexico 88231
 LEASE NAME Drinkard Homestead WELL NO. 1 FIELD _____
 LOCATION Section 25, T-22S, R-37E, Lea County, New Mexico

| DEPTH | ANGLE INCLINATION DEGREES | DISPLACEMENT | DISPLACEMENT ACCUMULATED |
|-------|------------------------------|--------------|-----------------------------|
| 474 | 1/2 | 4.1238 | 4.1238 |
| 880 | 1/2 | 3.5322 | 7.6560 |
| 1120 | 0 | .0000 | 7.6560 |
| 1371 | 1/4 | 1.1044 | 8.7604 |
| 1867 | 3/4 | 6.4976 | 15.2580 |
| 2242 | 1 | 6.5625 | 21.8205 |
| 2283 | 1 1/2 | 1.0742 | 22.8947 |
| 2640 | 1 3/4 | 10.8885 | 33.6732 |
| 3115 | 1 1/2 | 12.4450 | 46.2282 |
| 3611 | 1 1/2 | 12.9952 | 59.2234 |
| 4200 | 1 1/4 | 12.8402 | 72.0636 |
| 4400 | 3/4 | 2.6200 | 74.6836 |
| 4796 | 3/4 | 5.1876 | 79.8712 |
| 5260 | 3/4 | 6.0784 | 85.9496 |
| 5697 | 1 | 7.6475 | 93.5971 |
| 6130 | 1 | 7.5775 | 101.1746 |
| 6578 | 1 | 7.8400 | 109.0146 |
| 7008 | 1 1/2 | 11.2660 | 120.2806 |
| 7538 | 1 1/2 | 13.8860 | 134.1666 |
| 7596 | 1 1/2 | 1.5458 | 135.7124 |
| 7695 | 3 1/2 | 6.0390 | 141.7514 |
| 7817 | 4 1/2 | 9.5770 | 151.3284 |

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 22nd day of January, 19 79

MY COMMISSION EXPIRES MARCH 1, 1980

SEAL

Jerry F. Digniel
 Notary Public in and for the County
 of Lea, State of New Mexico