

**Permian Drilling Corporation**

P. O. Box 726

(505)397-3798

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Hobbs, New Mexico 88241

30.015.36136

INCLINATION REPORT

DATE: 1/12/2009

WELL NAME AND NUMBER: BLAST "BLA" FED #1

LOCATION: Eddy Co., NM

OPERATOR: YATES PETROLEUM CORP

DRILLING CONTRACTOR: PERMIAN DRILLING CORPORATION

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
1.00	146	0.75	2570	1.75	6571
1.00	331	0.75	3062	1.00	6821
1.00	400	1.00	3553	0.75	7072
0.75	674	1.00	4057	1.00	7324
1.00	928	1.00	4560	1.25	7576
1.25	1178	0.50	5090	2.25	7736
1.50	1340	1.00	5590	3.00	7830
1.75	1527	1.00	5900	2.75	7946
1.25	1652	2.00	6159	2.75	8009
1.50	1843	3.00	6289	2.25	8133
1.00	2027	2.00	6383	3.00	8260
1.00	2322	2.00	6475	3.25	8355

Drilling Contractor:
Permian Drilling Corporation

By: Sherry Coskrey
Sherry Coskrey
Regulatory Clerk

Subscribed and sworn to before me on this 2nd day of February, 2009.

My Commission Expires:

June 12, 2010

Clayton A. Black