

30-015-37068

New Mexico
OIL AND GAS DIVISION

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| INCLINATION REPORT (One Copy Must Be Filed With Each Completion Report) | | 6. District |
| | | 7. Lease Number. (Oil completions only) |
| 1. FIELD NAME (as per Records or Wildcat) Kool Aid | 2. LEASE NAME Aid State | 8. Well Number 30-015-37068 |
| 3. OPERATOR Nadel & Gussman Heyco, LLC | | 9. Identification Number (Gas completions only) |
| 4. ADDRESS 601 North Marienfeld Street, Suite 508 Midland, Texas 79701-4365 | | 10. County Eddy |
| 5. LOCATION (Section, Block, and Survey) 1650' FEK & 330' FSL Sec. 13 T17S R28E | | |

RECORD OF INCLINATION

| *11. Measured Depth (feet) | 12. Course Length (Hundreds of feet) | *13 Angle of Inclination (Degrees) | 14. Displacement per Hundred Feet (Sine of Angle x100) | 15. Course Displacement (feet) | 16. Accumulative Displacement (feet) |
|----------------------------|--------------------------------------|------------------------------------|--|--------------------------------|--------------------------------------|
| 293 | 293 | 1.00 | 1.75 | 5.12 | 5.12 |
| 545 | 252 | 1.00 | 1.75 | 4.41 | 9.53 |
| 989 | 444 | 1.00 | 1.75 | 7.77 | 17.30 |
| 1467 | 478 | 0.50 | 0.87 | 4.15 | 21.45 |
| 1944 | 477 | 1.00 | 1.75 | 8.34 | 29.79 |
| 2421 | 477 | 1.00 | 1.75 | 8.34 | 38.13 |
| 2899 | 478 | 1.00 | 1.75 | 8.36 | 46.49 |
| 3376 | 477 | 1.00 | 1.75 | 8.34 | 54.83 |
| 3853 | 477 | 0.75 | 1.31 | 6.24 | 61.07 |
| 4329 | 476 | 0.75 | 1.31 | 6.23 | 67.30 |
| 4800 | 471 | 0.75 | 1.31 | 6.17 | 73.47 |
| 5287 | 487 | 1.25 | 2.18 | 10.61 | 84.08 |
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If additional space is needed, use the reverse side of this form.

17. Is any information shown on the reverse side of this form? yes no
18. Accumulative total displacement of well bore at total depth of 5287 feet = 84.08 feet.
- *19. Inclination measurements were made in - Tubing Casing Open hole Drill Pipe
20. Distance from surface location of well to the nearest lease line 330 feet
21. Minimum distance to lease line as prescribed by field rules 330 feet.
22. Was the subject well at any time intentionally deviated from the vertical in any manner whatsoever? No

(If the answer to the above question is "yes," attach written explanation of the circumstances.)

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| <p>INCLINATION DATA CERTIFICATION</p> <p>I declare under penalties prescribed in Sec 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on both sides of this form and that such data and facts are true, correct, and complete to the best of my knowledge. This certification covers all data as indicated by asterisks (*) by the item numbers on this form</p> <p><i>John Halldorson</i> Signature of Authorized Representative John Halldorson Vice President/Operations Name of Person and Title (type or print) Eagle Rock Drilling, Inc. Name of Company Telephone: 432-553-8209 Area Code</p> | <p>OPERATOR CERTIFICATION</p> <p>I declare under penalties prescribed in Sec 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of all information presented in this report, and that all data presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all data and information presented herein except inclination data as indicated by asterisks (*) by the item numbers on this form</p> <p>_____ Signature of Authorized Representative _____ Name of Person and Title (type or print) _____ Operator Telephone: _____ Area Code</p> |
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Railroad Commission Use Only:

Approved By: *Alqui Ross* Title: Geologist Date: 8/13/09

* Designates items certified by company that conducted the inclination surveys.