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AUG -3 2010

NMOCD ARTESIA

CAVALOZ DRILLING INC.

P.O. BOX 1500 (575) 3910699 FAX (575) 391- 3824 HOBBS, NEW MEXICO 88241

INCLINATION REPORT

30.015.37113

DATE: 6/14/2010

WELL NAME AND NUMBER

BEE FEDERAL #1

LOCATION

OPERATOR:

DRILLING CONTRACTOR:

CAVALOZ DRILLING INC

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 TEST AND OBTAINED THE FOLLOWING RESULTS:

| DEGREE | DEPTH | DEGREE | DEPTH | DEGREE | DEPTH | DEGREE | DEPTH |
|--------|-------|--------|-------|--------|-------|-------------|-------|
| 1 08 | 260 | 0.49 | 4204 | | | | |
| 1.3 | 442 | 0.73 | 4704 | | | | |
| 1.59 | 659 | 0.55 | 5204 | | | | |
| 1.92 | 879 | 0.25 | 5652 | | | | |
| 0 46 | 1226 | | | | | | |
| 0.17 | 1726 | | | | | | |
| 0.85 | 2228 | | | | | | |
| 0.63 | 2700 | | | | | | |
| 0.72 | 3203 | | | | | | |
| 0.62 | 3701 | | | | | | |

DRILLING CONTRACTOR: CAVALOZ DRILLING

BOB WEGNER

DRILLING SUPERINTENDENT

JUN 2 1 2010

SUBSCRIBED AND SWORN TO BEFORE ME ON THE

DAY OF

, 2010

MY COMMISSION EXPIRES:

odollu

Jania Dove



LAN