

INCLINATION REPORT

RECEIVED

OPERATOR: Nearburg Producing Company
 ADDRESS: P.O. Box 31405, 5447 Glen Lakes Dr.
 Dallas, Texas 75231-0405

WELL NAME & NUMBER: PAHINO 23L #2
 LOCATION: Sec. 23, T-19-S, R-25-E
 COUNTY/STATE: Eddy County, New Mexico

NOV 04 '88

O. C. D.
 ARTESIA, OFFICE

RECORD OF INCLINATION

MEASURED DEPTH (feet)	COURSE LENGTH	ANGLE OF INCLINATION (Degrees)	DISPLACEMENT PER HUNDRED FEET (Sine of Angle X100)	COURSE DISPLACEMENT (feet)	ACCUMULATIVE DISPLACEMENT (feet)
350	350	1.00	1.75	6.13	6.13
731	381	0.75	1.31	5.00	11.13
1084	353	0.50	0.88	3.09	14.21
1373	289	0.50	0.88	2.53	16.74
1873	500	1.00	1.75	8.75	25.49
2370	497	0.50	0.88	4.35	29.84
2867	497	0.50	0.88	4.35	34.19
3364	497	0.50	0.88	4.35	38.54
3866	502	1.50	2.63	13.18	51.72
4148	282	1.50	2.63	7.40	59.12
4270	122	1.25	2.19	2.67	61.79
4538	268	0.75	1.31	3.52	65.31
4770	232	2.25	3.94	9.14	74.44
4924	154	2.75	4.81	7.41	81.85
5036	112	3.25	5.69	6.37	88.22
5099	63	3.25	5.69	3.58	91.81
5235	136	3.25	5.69	7.74	99.54
5359	124	2.75	4.81	5.97	105.51
5500	141	2.25	3.94	5.55	111.06
5744	244	1.50	2.63	6.41	117.46
6236	492	1.75	3.06	15.07	132.53
6554	318	1.75	3.06	9.74	142.27
7076	522	2.75	4.81	25.12	167.39
7292	216	2.25	3.94	8.51	175.90
7598	306	2.75	4.81	14.73	190.62
7844	246	3.00	5.25	12.92	203.54
8047	203	2.00	3.50	7.11	210.64
8355	308	2.00	3.50	10.78	221.42
8853	498	1.75	3.06	15.25	236.67
8956	103	2.00	3.50	3.61	240.28
9258	302	0.50	0.88	2.64	242.92
9600	342	0.75	1.31	4.49	247.41

Accumulative total displacement at well bore at total depth of 9,600' feet = 247.41 feet.
 Inclination measurements were made in - Tubing Casing Open Hole X Drill Pipe.
 At no time was the subject well intentionally deviated from the vertical in any manner whatsoever.

INCLINATION DATA CERTIFICATION

I declare that I am authorized to make this certification,
 that I have personal knowledge of the inclination data and
 facts placed on this form and that such data and facts are
 true, correct, and complete to the best of my knowledge.

SEAL

M. D. Mosley
 Signature of Authorized Representative
M. D. Mosley, Vice President Drilling Operations
 Name of Person and Title
IOI Drilling Corporation
 Name of Company
 Telephone: (915) 367-7361

Subscribed and sworn before me this
 8th Day of August, 1988.
Elizabeth Q. Knight
 Notary Public for the State of Texas
 My commission expires June 10, 1989.