

KEY ENERGY DRILLING, INC.
P.O. Box 1295
Midland, Texas 79702
Phone 915-570-0494
Fax 915-570-0465

To Whom It May Concern:

RE: STATE OF NEW MEXICO
OIL AND GAS DIVISION
INCLINATION REPORT

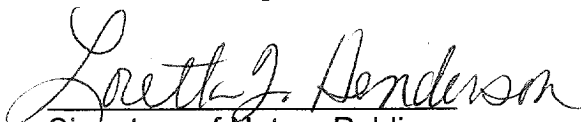
Lease Name: NORTH SHUGART FEDERAL
Well Number: #2
County/State: EDDY, NM
Operator: GRUY PETROLEUM MANAGEMENT
Address: P.O. BOX 140907
Address: IRVING TX 75014
Location:

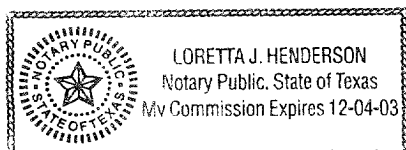
I, **CHOYR GILBERT**, Contract Manager for Key Energy Drilling, Inc., PO Box 1295, Midland, TX 79702, declare that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on this form and that such data and facts are true, correct, and complete to the best of my knowledge.

Sworn to and Subscribed Before Me by the said


CHOYR GILBERT
Contract Manager

This the 2nd day of February, 2001


Signature of Notary Public
In and for the State of Texas



LORETTA J. HENDERSON
Print Name of Notary Public