

**STATE OF NEW MEXICO  
OIL AND GAS DIVISION**

**INCLINATION REPORT**

|            |                                       |                          |
|------------|---------------------------------------|--------------------------|
| FIELD NAME | LEASE NAME<br><b>LOST TANK 33 FED</b> | WELL NUMBER<br><b>12</b> |
|------------|---------------------------------------|--------------------------|

|                                           |                       |
|-------------------------------------------|-----------------------|
| OPERATOR<br><b>POGO PRODUCING COMPANY</b> | COUNTY<br><b>EDDY</b> |
|-------------------------------------------|-----------------------|

|         |
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| ADDRESS |
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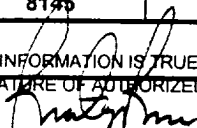
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| LOCATION |
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CONFIDENTIAL

**RECORD OF INCLINATION**

| MEASURED DEPTH<br>FEET | COURSE LENGTH<br>HUNDREDS OF<br>FEET | ANGLE OF INCLINATION<br>DEGREE | DISPLACEMENT PER<br>HUNDRED FEET | COURSE<br>DISPLACEMENT<br>FEET | ACCUMULATIVE<br>DISPLACEMENT |
|------------------------|--------------------------------------|--------------------------------|----------------------------------|--------------------------------|------------------------------|
| 269                    | 2.69                                 | 0.75                           | 1.31                             | 3.52                           | 3.52                         |
| 662                    | 3.93                                 | 0.25                           | 0.44                             | 1.71                           | 5.24                         |
| 909                    | 2.47                                 | 0.75                           | 1.31                             | 3.23                           | 8.47                         |
| 1156                   | 2.47                                 | 0.75                           | 1.31                             | 3.23                           | 11.70                        |
| 1409                   | 2.53                                 | 0.75                           | 1.31                             | 3.31                           | 15.01                        |
| 1659                   | 2.50                                 | 0.25                           | 0.44                             | 1.09                           | 16.10                        |
| 1817                   | 1.58                                 | 0.75                           | 1.31                             | 2.07                           | 18.17                        |
| 1974                   | 1.57                                 | 0.75                           | 1.31                             | 2.06                           | 20.23                        |
| 2129                   | 1.55                                 | 0.75                           | 1.31                             | 2.03                           | 22.26                        |
| 2286                   | 1.57                                 | 1.25                           | 2.18                             | 3.42                           | 25.68                        |
| 2441                   | 1.55                                 | 1.50                           | 2.62                             | 4.06                           | 29.74                        |
| 2593                   | 1.52                                 | 2.00                           | 3.49                             | 5.30                           | 35.04                        |
| 2688                   | 0.95                                 | 2.00                           | 3.49                             | 3.32                           | 38.36                        |
| 2783                   | 0.95                                 | 2.00                           | 3.49                             | 3.32                           | 41.67                        |
| 2904                   | 1.21                                 | 2.25                           | 3.93                             | 4.75                           | 46.43                        |
| 2999                   | 0.95                                 | 2.25                           | 3.93                             | 3.73                           | 50.15                        |
| 3094                   | 0.95                                 | 2.75                           | 4.80                             | 4.56                           | 54.71                        |
| 3189                   | 0.95                                 | 2.75                           | 4.80                             | 4.56                           | 59.27                        |
| 3280                   | 0.91                                 | 3.50                           | 6.10                             | 5.56                           | 64.83                        |
| 3341                   | 0.61                                 | 3.25                           | 5.67                             | 3.46                           | 68.28                        |
| 3345                   | 0.04                                 | 3.25                           | 5.67                             | 0.23                           | 68.51                        |
| 3529                   | 1.84                                 | 3.50                           | 6.10                             | 11.23                          | 79.74                        |
| 3672                   | 1.43                                 | 3.75                           | 6.54                             | 9.35                           | 89.10                        |
| 3714                   | 0.42                                 | 3.75                           | 6.54                             | 2.75                           | 91.84                        |
| 3925                   | 2.11                                 | 3.25                           | 5.67                             | 11.96                          | 103.81                       |
| 4055                   | 1.30                                 | 2.25                           | 3.93                             | 5.10                           | 108.91                       |
| 4304                   | 2.49                                 | 1.75                           | 3.05                             | 7.60                           | 116.51                       |
| 4802                   | 4.98                                 | 1.25                           | 2.18                             | 10.86                          | 127.38                       |
| 5300                   | 4.98                                 | 1.00                           | 1.75                             | 8.69                           | 136.07                       |
| 5979                   | 6.79                                 | 0.75                           | 1.31                             | 8.89                           | 144.96                       |
| 6294                   | 3.15                                 | 0.75                           | 1.31                             | 4.12                           | 149.08                       |
| 6797                   | 5.03                                 | 1.00                           | 1.75                             | 8.78                           | 157.86                       |
| 7296                   | 4.99                                 | 1.00                           | 1.75                             | 8.71                           | 166.57                       |
| 7799                   | 5.03                                 | 1.00                           | 1.75                             | 8.78                           | 175.35                       |
| 8145                   | 3.46                                 | 1.00                           | 1.75                             | 6.04                           | 181.38                       |

THIS INFORMATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

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|-------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|
| SIGNATURE OF AUTHORIZED REPRESENTATIVE<br> | NAME OF COMPANY<br><b>KEY ENERGY DRILLING, INC.</b> |
| NAME OF PERSON AND TITLE<br><b>RUSTY ROSE - CONTRACT MANAGER</b>                                                              | TELEPHONE NUMBER<br><b>(806) 894-7386</b>           |