

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

INCLINATION REPORT

FIELD NAME	LEASE NAME PATTON 17 FEDERAL	WELL NUMBER 7
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OPERATOR POGO PRODUCING CO.	COUNTY EDDY
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ADDRESS

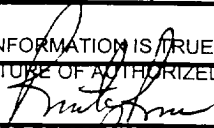
LOCATION

CONFIDENTIAL

RECORD OF INCLINATION

MEASURED DEPTH FEET	COURSE LENGTH HUNDREDS OF FEET	ANGLE OF INCLINATION DEGREE	DISPLACEMENT PER HUNDRED FEET	COURSE DISPLACEMENT FEET	ACCUMULATIVE DISPLACEMENT
311	3.11	0.50	0.87	2.71	2.71
650	3.39	2.50	4.36	14.79	17.50
799	1.49	2.00	3.49	5.20	22.70
917	1.18	1.75	3.05	3.60	26.30
1073	1.56	2.00	3.49	5.44	31.75
1227	1.54	1.75	3.05	4.70	36.45
1479	2.52	1.75	3.05	7.70	44.15
1728	2.49	1.50	2.62	6.52	50.67
1975	2.47	1.25	2.18	5.39	56.05
2224	2.49	1.25	2.18	5.43	61.49
2471	2.47	1.50	2.62	6.47	67.95
2720	2.49	1.50	2.62	6.52	74.47
2968	2.48	2.25	3.93	9.74	84.21
3124	1.56	1.75	3.05	4.76	88.97
3278	1.54	1.75	3.05	4.70	93.67
3527	2.49	1.25	2.18	5.43	99.10
3680	1.53	1.75	3.05	4.67	103.78
3837	1.57	1.75	3.05	4.79	108.57
3989	1.52	1.25	2.18	3.32	111.89
4250	2.61	1.75	3.05	7.97	119.86
4489	2.39	1.75	3.05	7.30	127.16
4738	2.49	1.75	3.05	7.60	134.76
4987	2.49	1.25	2.18	5.43	140.19
5017	0.30	1.25	2.18	0.65	140.85
5517	5.00	1.75	3.05	15.27	156.12
5954	4.37	0.75	1.31	5.72	161.84
6452	4.98	1.25	2.18	10.86	172.70
6828	3.76	1.50	2.62	9.84	182.54
7328	5.00	1.25	2.18	10.91	193.45
7830	5.02	1.75	3.05	15.33	208.78
8320	4.90	1.50	2.62	12.83	221.61

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

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