

TEACO DRILLING INC.

P O. BOX 1500 (505) 3910699 FAX (505) 391- 3824 HOBBS, NEW MEXICO 88241

INCLINATION REPORT

DATE: 4/30/07

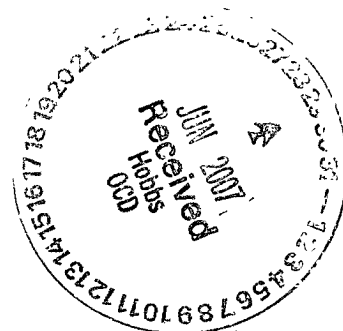
30-025-38267

WELL NAME AND NUMBER STATE C TRACT 12 # 31
LOCATION LEA COUNTY, NEW MEXICO
OPERATOR: APACHE CORPORATION
DRILLING CONTRACTOR TEACO DRILLING INC.

D-16-21s-37e
110/N & 119 5/4

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 |
|-------------|-------------|-------------|-------------|--------|-------|
| <u>1</u> | <u>422</u> | <u>1.25</u> | <u>3937</u> | | |
| <u>1.25</u> | <u>832</u> | <u>1</u> | <u>4285</u> | | |
| <u>1.5</u> | <u>1251</u> | <u>1.75</u> | <u>4822</u> | | |
| <u>1</u> | <u>1684</u> | <u>1.75</u> | <u>5332</u> | | |
| <u>1.25</u> | <u>1963</u> | <u>1.75</u> | <u>5811</u> | | |
| <u>1.75</u> | <u>2308</u> | <u>1.25</u> | <u>6319</u> | | |
| <u>2.25</u> | <u>2654</u> | <u>2</u> | <u>6828</u> | | |
| <u>2.5</u> | <u>2900</u> | | | | |
| <u>1.25</u> | <u>3119</u> | | | | |
| <u>2</u> | <u>3529</u> | | | | |



DRILLING CONTRACTOR:
TEACO DRILLING INCORPORATED

BY: Bob Wegner
BOB WEGNER
DRILLING SUPERINTENDANT

SUBSCRIBED AND SWORN TO BEFORE ME ON THE 25 DAY OF June, ~~2006~~ 2007

MY COMMISSION EXPIRES

3-1-2011 Dina Chavarria