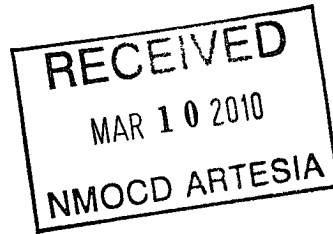


30 015 36929 RM

TEACO DRILLING INC.

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



INCLINATION REPORT

DATE: 12/7/2009

WELL NAME AND NUMBER DALE H. PARKE A TR 1 #37
 LOCATION EDDY COUNTY
 OPERATOR: PREMIER OIL AND GAS INC
 DRILLING CONTRACTOR: TEACO DRILLING INC

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	DEGREE	DEPTH
<u>0.82</u>	<u>201</u>	<u>1.29</u>	<u>3586</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>1</u>	<u>338</u>	<u>0.77</u>	<u>4011</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>1</u>	<u>644</u>	<u>1.5</u>	<u>4511</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>2</u>	<u>989</u>	<u>1.89</u>	<u>5025</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>2.25</u>	<u>1116</u>	<u>1.18</u>	<u>5525</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>2.46</u>	<u>1305</u>	<u>1.44</u>	<u>6075</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>1.68</u>	<u>1573</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>1.27</u>	<u>2072</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>1.85</u>	<u>2572</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>1.18</u>	<u>3091</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

DRILLING CONTRACTOR:
TEACO DRILLING INCORPORATED

BY: Bob Wegner
BOB WEGNER
DRILLING SUPERINTENDENT

SUBSCRIBED AND SWORN TO BEFORE ME ON THE 7th DAY OF December, 2009

MY COMMISSION EXPIRES: 03/01/11 Jessica Bueno



OFFICIAL SEAL
JESSICA BUENO
NOTARY PUBLIC - STATE OF NEW MEXICO
My commission expires: 03/01/11