INCLINATION REPORT

OPERATOR: Bill Fenn, Inc. ADDRESS: P.O. Drawer 569

Giddinss, Texas 78942

WELL NAME: Buffalo Valley Federal 34-1 LOCATION: Section 34, T-14-5, R-27-E

Chaves County, New Mexico

RECORD OF INCLINATION

| NEASURED DEPTH (feet) | COURSE LENGTH | ANGLE OF INCLINATION (Desrees) | DISPLACEMENT PER HUNDRED FEET (Sine of Angle X100 | COURSE DISPLACEMENT (feet) | ACCUMULATIVE DISPLACEMENT (feet) |
|--------------------------|------------------|--------------------------------------|---|----------------------------------|--|
| 352 | 352 | 1.50 | 2.63 | 9.24 | 9.24 |
| 791 | 439 | 0.75 | 1.31 | 5.76 | 15.00 |
| 1262 | 471 | 0.50 | 0.88 | 4.12 | 19.12 |
| 1600 | 338 | 0.25 | 0.44 | 1.48 | 20.60 |
| 2131 | 531 | 0.50 | 0.88 | 4.65 | 25.25 |
| 2561 | 430 | 0.50 | 0.88 | 3.76 | 29.01 |
| 3093 | 532 | 0.75 | 1.31 | 6.98 | 35.99 |
| 3571 | 478 | 0.75 | 1.31 | 6.27 | 42.27 |
| 4002 | 431 | 0.50 | 0.88 | 3.77 | 46.04 |
| 4500 | 498 | 0.50 | 0.88 | 4.36 | 50.40 |
| 4 697 | 197 | 0.50 | 0.88 | 1.72 | 52.12 |
| 5181 | 484 | 0.75 | 1.31 | 6.35 | 58.47 |
| 5615 | 434 | 0.75 | 1.31 | 5.70 | 64.17 |
| 5 895 | 280 | 1.75 | 3.06 | 8.58 | 72.74 |
| 5998 | 103 | 1.75 | 3.06 | 3.15 | 75.90 |
| 6114 | 116 | 0.75 | 1.31 | 1.52 | 77.42 |
| 6577 | 463 | 1.00 | 1.75 | 8.10 | 85.52 |
| 6776 | 199 | 0.50 | 0.88 | 1.74 | 87.26 |
| 7171 | 395 | 0.50 | 0.88 | 3.46 | 90.72 |
| 7642 | 471 | 0.75 | 1.31 | 6.18 | 96.90 |
| 7954 | 312 | 1.00 | 1.75 | 5.46 | 102.36 |
| 8145 | ⁻ 191 | 1.75 | 3.06 | 5.85 | 108.21 |

Accumulative total displacement at well bore at total depth of 8,145' feet = 108.21 feet. Inclination measurements were made in - ___ Tubing ___ Casing ___ Open Hole _X Drill Pipe. At no time was the subject well intentionally deviated from the vertical in any manner whatsoever.

INCLINATION DATA CERTIFICATION

I 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.

| Memoreley | | | | | |
|---|--|--|--|--|--|
| Signature of Authorized Representative | | | | | |
| M. D. Mosley, Vice President Operations | | | | | |
| Name of Person and Title | | | | | |
| TOT Drilling Corporation | | | | | |
| Name of Company | | | | | |
| Telephone: (915) 563-1984 or 800-526-7215 | | | | | |
| STATE OF TEXAS) COUNTY OF MIDLAND) | | | | | |

Subscribed and sworn before me this 9th day of May, 1990.

**Minimum Tubble Company Public, State of Texas

Elizabeth A. Knight

My commission expires the 10th day of June, 1990.

RECEIVED MAY 2.5 1990

Ano'd.....