

KEY ENERGY DRILLING, INC.
P.O. Box 1295
Midland, Texas 79702
Phone 915-570-0494
Fax 915-570-0465

To Whom It May Concern:

RE: STATE OF NEW MEXICO
OIL AND GAS DIVISION
INCLINATION REPORT

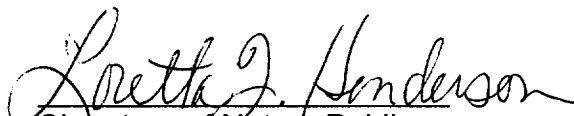
Lease Name: ENGWALL R.L. FEDERAL
Well Number: #3
County/State: CHAVES NM
Operator: YATES PETROLEUM CORPORATION
Address: 105 SOUTH 4TH STREET
Address: ARTESIA NM 88210
Address:
Location:

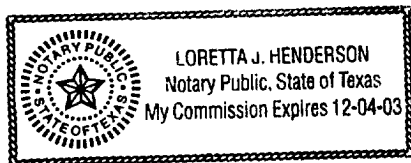
I, **CHOYR GILBERT**, Contract Manager for Key Energy Drilling, Inc., PO Box 1295, Midland, TX 79702, declare that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on this form and that such data and facts are true, correct, and complete to the best of my knowledge.

Sworn to and Subscribed Before Me by the said


CHOYR GILBERT
Contract Manager

This the 21ST day of July, 2000


Signature of Notary Public
In and for the State of Texas



LORETTA J. HENDERSON
Print Name of Notary Public

INCLINATION REPORT

LOCATION

SIGNATURE OF AUTHORIZED REPRESENTATIVE 	NAME OF COMPANY KEY ENERGY DRILLING, INC.
NAME OF PERSON AND TITLE CHOYR GILBERT - CONTRACT MANAGER	TELEPHONE NUMBER (915) 570-0494