

INCLINATION REPORT (One Copy Must Be Filed With Each Completion Report.)		6. District 2
1. FIELD NAME Malaga, West Morrow	2. LEASE NAME NM 16 State	7. Lease Number. (Oil completions only)
3. OPERATOR HNG Oil Company		8. Well Number 1
4. ADDRESS P.O. Box 2267, Midland, Texas 79702		9. Identification Number (Gas completions only) LG-5175
5. LOCATION (Section, Block, and Survey) Sec. 16, Twp. 24-S, Rge. 28-E		10. County Eddy

RECORD OF INCLINATION

*11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
120	120	1/2	.87	1.04	1.04
180	60	3/4	1.31	.79	1.83
215	35	3/4	1.31	.46	2.29
452	237	1/2	.87	2.06	4.35
623	171	3-1/4	5.67	9.69	14.04
712	89	1/2	.87	.77	14.81
846	134	1-1/2	2.62	3.51	18.32
940	94	3/4	1.31	1.23	19.55
1061	121	1	1.75	2.12	21.67
1185	124	1	1.75	2.17	23.84
1311	126	1/2	.87	1.10	24.94
1533	222	1	1.75	3.89	28.83
1598	65	1	1.75	1.14	29.97
1755	157	1-1/4	2.18	3.42	33.39
1838	83	1	1.75	1.45	34.84
2000	162	2	3.49	5.65	40.49

If additional space is needed, use the reverse side of this form.

17. Is any information shown on the reverse side of this form? ☒ yes ☐ no
18. Accumulative total displacement of well bore at total depth of 12,841 feet = 278.88 feet.
- *19. Inclination measurements were made in - ☐ Tubing ☐ Casing ☐ Open hole ☒ Drill Pipe
20. Distance from surface location of well to the nearest lease line 660 feet.
21. Minimum distance to lease line as prescribed by field rules 330 feet.
22. Was the subject well at any time intentionally deviated from the vertical in any manner whatsoever? NO
- (If the answer to the above question is "yes", attach written explanation of the circumstances.)

INCLINATION DATA CERTIFICATION <i>Brice L. Smith</i> Signature of Authorized Representative Brice L. Smith Name of Person and Title (type or print) Parker Drilling Co. Name of Company Telephone: _____ Area Code	OPERATOR CERTIFICATION <i>Betty A. Gildon</i> Signature of Authorized Representative Betty A. Gildon Name of Person and Title (type or print) HNG Oil Company Operator Telephone: <u>915</u> <u>683-4871</u> Area Code
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Subscribed and Sworn to before me on this 29 day of March 1979

Notary Public in and for Midland County, Texas

Thylis M. Russell

RECORD OF INCLINATION (Continued from reverse side)

11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
2095	95	2	3.49	3.32	43.81
2151	56	1-3/4	3.05	1.71	45.52
2191	40	2-1/4	3.93	1.57	47.09
2235	44	1-1/2	2.62	1.15	48.24
2342	107	1-3/4	3.05	3.26	51.50
2450	108	1-1/2	2.62	2.83	54.33
2781	331	1-3/4	3.05	10.10	64.43
3187	406	1-1/4	2.18	8.85	73.28
3592	405	3/4	1.31	5.31	78.59
4120	528	1-1/4	2.18	11.51	90.10
4614	494	3/4	1.31	6.47	96.57
5110	496	3/4	1.31	6.50	103.07
5610	500	1/2	.87	4.35	107.42
6110	500	1-1/4	2.18	10.90	118.32
6586	476	1-1/2	2.62	12.24	130.56
7087	501	3/4	1.31	6.56	137.12
7309	222	1	1.75	3.89	141.01
7805	496	2	3.49	17.31	158.32
8148	343	2-1/4	3.93	13.48	171.80
8520	372	3/4	1.31	4.87	176.67
9072	552	1-1/2	2.62	14.46	191.13
9538	466	1	1.75	8.16	199.29
10,250	712	1	1.75	12.46	211.75
10,736	486	1	1.75	8.51	220.26
11,040	304	1-1/2	2.62	7.96	228.22
11,577	537	1-1/2	2.62	14.07	242.29
11,853	276	1-3/4	3.05	8.41	250.70
11,977	124	1-3/4	3.05	3.78	254.48
12,235	258	1-3/4	3.05	7.87	262.35
12,390	155	1-3/4	3.05	4.73	267.08
12,655	265	1-3/4	3.05	8.08	275.16
12,841	186	1-3/4	3.05	3.72	278.88

REMARKS: ☐ If additional space is needed, attach separate sheet and check here.

- INSTRUCTIONS -

An inclination survey made by persons or concerns approved by the Commission shall be filed on a form prescribed by the Commission for each well drilled or deepened with rotary tools or when, as a result of any operation, the course of the well is changed. No inclination survey is required on wells that are drilled and completed as dry holes that are plugged and abandoned. Inclination surveys are required on re-entry of abandoned wells. Inclination surveys must be made in accordance with the provisions of Statewide Rule

This report shall be filed in the District Office of the Commission for the district in which the well is drilled, by attaching one copy to each appropriate completion for the well. (except Plugging Report)

The Commission may require the submital of the original charts, graphs, or discs, resulting from the surveys.