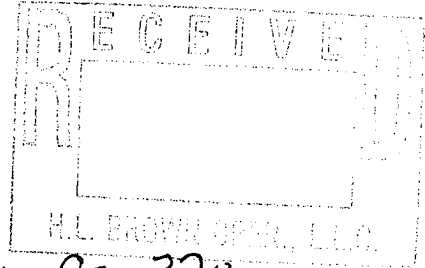




KEY ENERGY DRILLING, INC.
6 Desta Drive
Suite 4400
Midland, Texas 79705
Phone 915-570-0494
Fax 915-570-0465

To: Whom It May Concern:

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



Lease Name: FEDERAL "B"
Well Number: #2
County/State: ROOSEVELT COUNTY, NEW MEXICO
Operator: H. L. BROWN OPERATING
Address: P O BOX 2237
Address: MIDLAND TX 79702-2237
Location:

RECEIVED

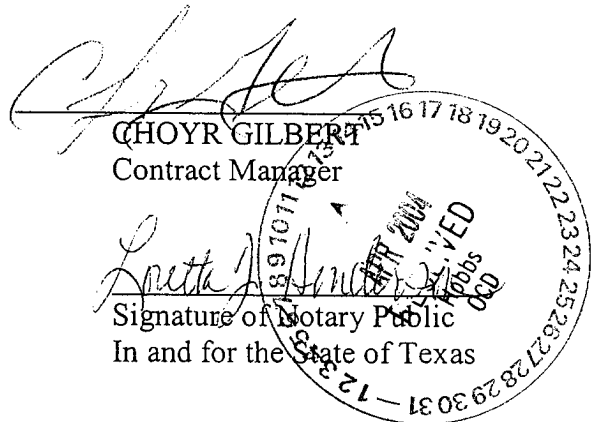
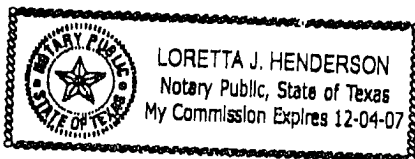
APR 06 2004

OCD-ARTESIA

I, **CHOYR GILBERT**, Contract Manager for Key Energy Drilling, Inc., 6 Desta Drive, Suite 4400, Midland, TX 79705, 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

This the 23RD day of MARCH, 2004



LORETTA J. HENDERSON
Print Name of Notary Public

**STATE OF NEW MEXICO
OIL AND GAS DIVISION**

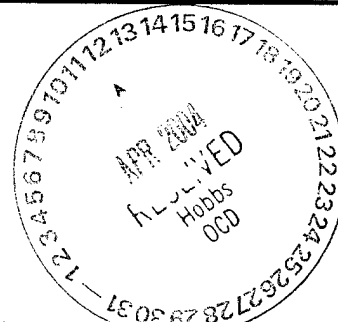
INCLINATION REPORT

FIELD NAME Bluitt Wolfcamp	LEASE NAME FEDERAL B	WELL NUMBER #2
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OPERATOR H. L. BROWN OPERATING	COUNTY ROOSEVELT
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ADDRESS P O BOX 2237, MIDALND TX 79702-2237

LOCATION 1310' FNL & 1330' FEL, Unit B, Sec 4, T-8-S, R-37-E
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RECORD OF INCLINATION

MEASURED DEPTH FEET	COURSE LENGTH HUNDREDS OF FEET	ANGLE OF INCLINATION DEGREE	DISPLACEMENT PER HUNDRED FEET	COURSE DISPLACEMENT FEET	ACCUMULATIVE DISPLACEMENT
289	2.89	0.750	1.31	3.78	3.78
502	2.13	2.000	3.49	7.43	11.22
712	2.10	1.750	3.05	6.41	17.63
899	1.87	1.000	1.75	3.26	20.89
1087	1.88	1.250	2.18	4.10	24.99
1306	2.19	0.750	1.31	2.87	27.86
1557	2.51	0.750	1.31	3.29	31.15
1887	3.30	1.000	1.75	5.76	36.91
2152	2.65	1.000	1.75	4.62	41.53
2528	3.76	1.250	2.18	8.20	49.73
2965	4.37	1.750	3.05	13.35	63.08
3246	2.81	1.250	2.18	6.13	69.21
3496	2.50	1.250	2.18	5.45	74.66
3715	2.19	1.500	2.62	5.73	80.39
3893	1.78	1.500	2.62	4.66	85.05
4144	2.51	0.750	1.31	3.29	88.34
4614	4.70	0.750	1.31	6.15	94.49
5051	4.37	0.750	1.31	5.72	100.21
5522	4.71	1.000	1.75	8.22	108.43
6021	4.99	1.250	2.18	10.89	119.32
6460	4.39	1.000	1.75	7.66	126.98
6895	4.35	0.750	1.31	5.69	132.67
7333	4.38	1.000	1.75	7.64	140.32
7802	4.69	1.000	1.75	8.19	148.50
	-78.02		0.00	0.00	148.50
	0.00		0.00	0.00	148.50
	0.00		0.00	0.00	148.50
	0.00		0.00	0.00	148.50
	0.00		0.00	0.00	148.50
	0.00		0.00	0.00	148.50
	0.00		0.00	0.00	148.50
	0.00		0.00	0.00	148.50
	0.00		0.00	0.00	148.50
	0.00		0.00	0.00	148.50

 CHOYLE GILBERT - CONTRACT MANAGER	NAME OF COMPANY KEY ENERGY DRILLING, INC.
	TELEPHONE NUMBER (432) 620-0300