To: Whom It May Concern:

**RE:** STATE OF NEW MEXICO

OIL AND GAS DIVISION INCLINATION REPORT

Lease Name:

RALEY B

Well Number:

#1

County/State:

LEA COUNTY, NEW MEXICO

Operator:

AMERADA HESS CORPORATION

Address:

P.O. BOX 840

Address:

SEMINOLE, TEXAS 79360

Location:

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

CHOYR GILBERT
Contract Manager

This the 27TH day of DECEMBER, 2004

Signature of Notary Public
In and for the State of Texas

Unil C 17.205.38e 650/N·42070/N 30-025-36776

LORETTA J. HENDERSON Print Name of Notary Public

LORETTA J. HENDERSON
Notary Public, State of Texas
My Commission Expires 12-04-07

## STATE OF NEW MEXICO OIL AND GAS DIVISION

## **INCLINATION REPORT**

| FIELD NAME          | LEASE NAME | WELL NUMBER |  |  |
|---------------------|------------|-------------|--|--|
|                     | Raley B    | #1          |  |  |
|                     |            |             |  |  |
| OPERATOR            |            | COUNTY      |  |  |
| AMERADA HESS CORF   | PORATION   | LEA         |  |  |
|                     | * ***      |             |  |  |
| ADDRESS             |            | <u> </u>    |  |  |
| P O BOX 840 SEMINOI | F TY 79360 |             |  |  |

LOCATION

Unit C, Sec. 17, T2OS, R38E API No. 30-025-36776

## **RECORD OF INCLINATION**

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|----------------|---------------|----------------------|---|--------|--------------|
|                | COURSE LENGTH |                      |   | COURSE |              |
| MEASURED DEPTH |               | ANGLE OF INCLINATION |   |        | ACCUMULATIVE |
| FEET           | FEET          | DEGREE               |   | FEET   | DISPLACEMENT |
| 188            | 1.88          | 0.750                | 1.31                                    | 2.46   | 2.46         |
| 649            | 4.61          | 1.000                | 1.75                                    | 8.05   | 10.51        |
| 1128           | 4.79          | 0.750                | 1.31                                    | 6.27   | 16.78        |
| 1511           | 3.83          | 1.000                | 1.75                                    | 6.68   | 23.46        |
| 2004           | 4.93          | 1.000                | 1.75                                    | 8.60   | 32.06        |
| 2447           | 4.43          | 1.250                | 2.18                                    | 9.66   | 41.73        |
| 2793           | 3.46          | 1.250                | 2.18                                    | 7.55   | 49.28        |
| 3230           | 4.37          | 1.000                | 1.75                                    | 7.63   | 56.90        |
| 3708           | 4.78          | 1.000                | 1.75                                    | 8.34   | 65.25        |
| 4179           | 4.71          | 1.500                | 2.62                                    | 12.33  | 77.57        |
| 4615           | 4.36          | 2.000                | 3.49                                    | 15.22  | 92.79        |
| 5087           | 4.72          | 2.500                | 4.36                                    | 20.59  | 113.38       |
| 5401           | 3.14          | 2.000                | 3.49                                    | 10.96  | 124.34       |
| 5838           | 4.37          | 1.750                | 3.05                                    | 13.35  | 137.68       |
| 6308           | 4.7           | 0.750                | 1.31                                    | 6.15   | 143.84       |
| 6755           | 4.47          | 0.750                | 1.31                                    | 5.85   | 149.69       |
| 7163           | 4.08          | 1,000                | 1.75                                    | 7.12   | 156.81       |
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|                                  | NAME OF COMPANY           |
|----------------------------------|---------------------------|
| 0///4                            |                           |
|                                  | KEY ENERGY DRILLING, INC. |
| Uf                               | TELEPHONE NUMBER          |
| CHOYR GILBERT - CONTRACT MANAGER | (432) 620-0300            |