

## INCLINATION REPORT

HOBBS OCD

Operator: Quantum Resources Management, LLC  
Lease Name: Encore M-State 9

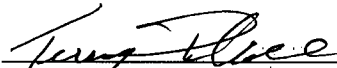
DEC 13 2012

## RECORD OF INCLINATION

## RECEIVED

| Measured Depth<br>(Feet) | Course Length<br>(Hundreds of Feet) | Angle of<br>Inclination<br>(Degrees) | Displacement per<br>Hundred Feet<br>(Sine of Angle X 100) | Course<br>Displacement<br>(Feet) | Accumulative<br>Displacement<br>(Feet) |
|--------------------------|-------------------------------------|--------------------------------------|-----------------------------------------------------------|----------------------------------|----------------------------------------|
| 226                      | 2.26                                | 0.40                                 | 0.70                                                      | 1.58                             | 1.58                                   |
| 493                      | 2.67                                | 0.30                                 | 0.52                                                      | 1.40                             | 2.98                                   |
| 736                      | 2.43                                | 0.10                                 | 0.17                                                      | 0.42                             | 3.40                                   |
| 989                      | 2.53                                | 0.10                                 | 0.17                                                      | 0.44                             | 3.84                                   |
| 1,347                    | 3.58                                | 0.20                                 | 0.35                                                      | 1.25                             | 5.09                                   |
| 1,625                    | 2.78                                | 0.20                                 | 0.35                                                      | 0.97                             | 6.06                                   |
| 2,120                    | 4.95                                | 1.80                                 | 3.14                                                      | 15.55                            | 21.61                                  |
| 2,454                    | 3.34                                | 2.50                                 | 4.36                                                      | 14.57                            | 36.18                                  |
| 2,739                    | 2.85                                | 1.50                                 | 2.62                                                      | 7.46                             | 43.64                                  |
| 3,160                    | 4.21                                | 0.10                                 | 0.17                                                      | 0.73                             | 44.37                                  |
| 3,648                    | 4.88                                | 0.60                                 | 1.05                                                      | 5.11                             | 49.48                                  |
| 4,089                    | 4.41                                | 0.80                                 | 1.40                                                      | 6.16                             | 55.64                                  |
| 4,339                    | 2.50                                | 1.60                                 | 2.79                                                      | 6.98                             | 62.62                                  |
| 4,594                    | 2.55                                | 1.70                                 | 2.97                                                      | 7.56                             | 70.19                                  |
| 4,848                    | 2.54                                | 1.80                                 | 3.14                                                      | 7.98                             | 78.17                                  |
| 5,101                    | 2.53                                | 1.30                                 | 2.27                                                      | 5.74                             | 83.91                                  |
| 5,355                    | 2.54                                | 0.20                                 | 0.35                                                      | 0.89                             | 84.79                                  |
| 5,606                    | 2.51                                | 0.90                                 | 1.57                                                      | 3.94                             | 88.73                                  |
| 6,102                    | 4.96                                | 0.90                                 | 1.57                                                      | 7.79                             | 96.52                                  |
| 6,353                    | 2.51                                | 0.40                                 | 0.70                                                      | 1.75                             | 98.28                                  |
| 6,612                    | 2.59                                | 1.10                                 | 1.92                                                      | 4.97                             | 103.25                                 |
| 6,836                    | 2.24                                | 0.40                                 | 0.70                                                      | 1.56                             | 104.81                                 |

## Inclination Data Certification



Signature of Authorized Representative

Terry Place, GM of Rig Operations

Name of Person and Title

Pinpoint Drilling and Directional Services, LLC

Name of Company

(918) 647-3201

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