



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:

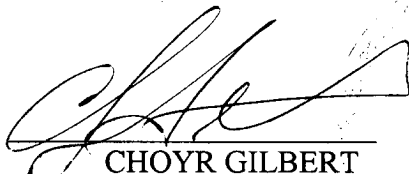
RE: STATE OF NEW MEXICO
OIL AND GAS DIVISION
INCLINATION REPORT

Lease Name: HOWSE
Well Number: #1
County/State: LEA COUNTY, NEW MEXICO
Operator: XERIC OIL & GAS CORP
Address: BOX 352
Address: MIDLAND TX 79702
Location:

L-17-205-39e
1980/S & 330/W
30-025-36226

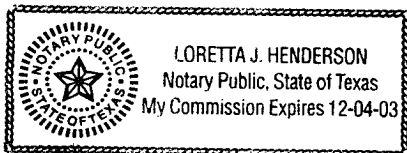
I, **CHOYR GILBERT**, Contract Manager for Key Energy Drilling, Inc., 6 Desta Drive, Suite 4400, Midland, TX 79705, declare that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on this form and that such data and facts are true, correct, and complete to the best of my knowledge.

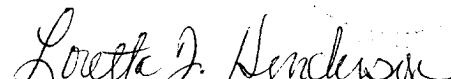
Sworn to and Subscribed Before Me by the said


CHOYR GILBERT
Contract Manager

SEP 2003
RECEIVED
Hobbs
OCD

This the 11TH day of JUNE, 2003




Signature of Notary Public
In and for the State of Texas

LORETTA J. HENDERSON
Print Name of Notary Public

INCLINATION REPORT

LOCATION _____

	NAME OF COMPANY
	KEY ENERGY DRILLING, INC.
CHOYR GILBERT - CONTRACT MANAGER	TELEPHONE NUMBER (915) 620-0300