

Permian Drilling Corporation

P. O. Box 726

(505)397-3798

Fax (505)393-2448

Hobbs, New Mexico 88241

RECEIVED MAY 02 2007

INCLINATION REPORT

DATE: 4/13/2007

WELL NAME AND NUMBER: Young Deep Fed Ut #39

LOCATION: Leq Eddy Co., NM

OPERATOR: Harvey E. Yates Company

DRILLING CONTRACTOR: PERMIAN DRILLING CORPORATION

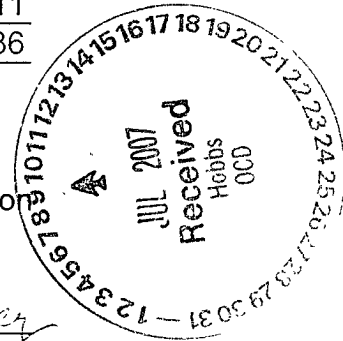
I-10-18s-32e
1980/s & 660/E
30-025-38179

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
0.75	203	1.75	2467	2.00	7008
0.75	425	1.00	2685	3.00	7359
0.75	598	1.00	2963	4.00	7718
1.50	941	2.00	3273	4.00	7841
1.75	1034	1.75	3560	4.75	7931
2.00	1129	1.25	4034	4.50	8066
2.50	1254	1.25	4508	4.00	8257
1.50	1349	0.25	5004	3.75	8355
1.75	1445	1.25	5400	3.50	8413
1.25	1761	2.25	5904	2.75	8514
2.00	2085	2.00	6063	3.25	8611
1.25	2277	1.75	6534	3.00	6736

Drilling Contractor:
Permian Drilling Incorporation

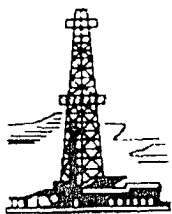
By: Sherry Coskrey
Sherry Coskrey
Regulatory Clerk



Subscribed and sworn to before me on this 13th day of April, 2007.

My Commission Expires: June 12, 2007

[Signature]



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DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
3.00	8802	4.00	11234	4.80	12358
3.75	8927	4.00	11385	4.30	12390
3.00	9025	3.75	11456	4.40	12432
2.50	9119	4.00	11676	4.30	12475
2.75	9216	4.75	11681	4.10	12496
2.00	9345	4.30	11734	4.50	12506
1.75	9405	4.30	11740	4.20	12612
1.75	9495	4.20	11808	4.40	12625
1.75	9604	4.10	11839	4.60	12655
1.00	9731	4.00	11871	4.80	12703
2.00	9915	4.10	11934	5.20	12718
1.75	10055	3.90	11965	4.90	12751
2.00	10275	4.00	11996	5.30	12814
2.75	10428	4.00	12031	5.10	12846
2.75	10535	4.20	12048	4.80	12878
3.00	10714	4.00	12080	4.90	12910
3.75	10808	4.20	12176	5.30	12942
3.50	10916	4.10	12223	5.40	12972
3.00	11012	4.80	12304	5.90	13005
3.75	11139	4.80	12336	6.10	13040