TEACO DRILLING INC.

P O BOX 1500 (505) 3910699 FAX (505) 391- 3824 HOBBS, NEW MEXICO 88241

INCLINATION REPORT

DATE: 7/3/07

WELL NAME AND NUMBER LOCATION LEA COUNTY, NEW MEXICO OPERATOR: APACHE CORPORATION DRILLING CONTRACTOF TEACO DRILLING INC

L-3.2(=.37e 1330/3 + 330/w 30.025-38154

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 **TEST AND OBTAINED THE FOLLOWING RESULTS:**

| DEGREE | DEPTH | DEGREE | DEPTH | DEGREE | DEPTH |
|--------|-------|--------|-------|-----------|---|
| 1 | 485 | 0 75 | 4502 | | |
| 0 25 | 992 | 1.25 | 5168 | | |
| 0.5 | 1318 | 1 | 5683 | | |
| 1 25 | 1799 | 35 | 6444 | | |
| 2 | 2275 | 3.75 | 6569 | | |
| 3 | 2464 | | | *** | |
| 2 25 | 2690 | | | | |
| 1.25 | 2978 | | | | *************************************** |
| 1 | 3550 | | | <u>-:</u> | |
| 1 | 3994 | | , | | |

DRILLING CONTRACTOR: TEACO DRILLING INCORPORATED

DRILLING SUPERINTENDANT

SUBSCRIBED AND SWORN TO BEFORE ME ON THE DAY OF _

MY COMMISSION EXPIRES: