



KEY ENERGY DRILLING, INC.
6 Desta Drive
Suite 4400
Midland, Texas 79705
Phone 915-570-0494
Fax 915-570-0465

RECEIVED
SEP 25 2003
MAILROOM

To: Whom It May Concern:

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

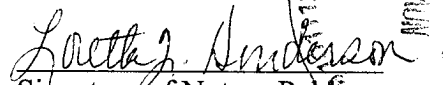
Lease Name: CHRISTMAS *R*
Well Number: ~~#2~~ *Unit A. 7-20s - 38e*
County/State: LEA COUNTY, NEW MEXICO *330/N & 420/E*
Operator: CHESAPEAKE OPERATING, INC *30-025-36348*
Address: 6100 N WESTERN AVE
Address: OKLAHOMA CITY, OK 73119
Location:

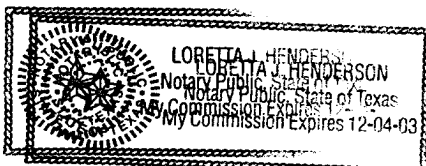
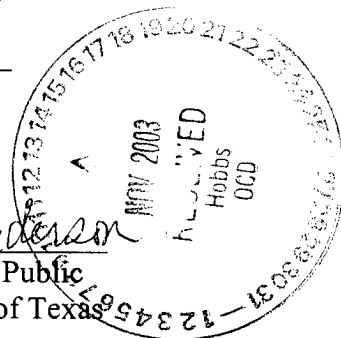
I, **CHOYR GILBERT**, Contract Manager for Key Energy Drilling, Inc., 6 Desta Drive, Suite 4400, Midland, TX 79705, declare that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on this form and that such data and facts are true, correct,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

Sworn to and Subscribed Before Me by the said


CHOYR GILBERT
Contract Manager

This the 22ND day of SEPTEMBER, 2003


Signature of Notary Public
In and for the State of Texas



LORETTA J. HENDERSON
Print Name of Notary Public

**STATE OF NEW MEXICO
OIL AND GAS DIVISION**

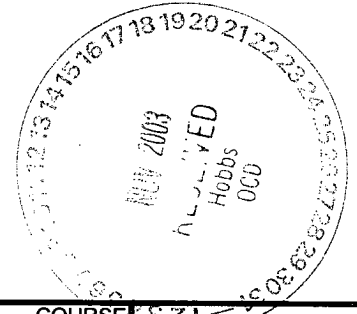
INCLINATION REPORT

FIELD NAME	LEASE NAME CHRISTMAS	WELL NUMBER R #2
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OPERATOR CHESAPEAKE OPERATING, INC	COUNTY LEA
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ADDRESS 6100 N WESTERN AVE, OKLAHOMA CITY, OK 73119

LOCATION



RECORD OF INCLINATION

MEASURED DEPTH FEET	COURSE LENGTH HUNDREDS OF FEET	ANGLE OF INCLINATION DEGREE	DISPLACEMENT PER HUNDRED FEET	COURSE DISPLACEMENT FEET	ACCUMULATIVE DISPLACEMENT
550	5.50	0.750	1.31	7.20	7.20
1026	4.76	0.750	1.31	6.23	13.43
1499	4.73	0.500	0.87	4.13	17.56
1989	4.90	1.750	3.05	14.96	32.52
2241	2.52	1.500	2.62	6.60	39.12
2527	2.86	2.750	4.80	13.72	52.84
2616	0.89	1.000	1.75	1.55	54.39
2707	0.91	2.750	4.80	4.37	58.76
2802	0.95	2.750	4.80	4.56	63.32
2894	0.92	2.000	3.49	3.21	66.53
2985	0.91	1.500	2.62	2.38	68.91
3046	0.61	1.250	2.18	1.33	70.24
3168	1.22	1.250	2.18	2.66	72.90
3553	3.85	0.750	1.31	5.04	77.94
3599	0.46	0.500	0.87	0.40	78.34
3812	2.13	0.750	1.31	2.79	81.13
4058	2.46	0.500	0.87	2.15	83.28
4336	2.78	1.000	1.75	4.85	88.13
4797	4.61	0.250	0.44	2.01	90.14
5358	5.61	0.250	0.44	2.45	92.59
5855	4.97	0.250	0.44	2.17	94.76
6352	4.97	0.750	1.31	6.51	101.26
6600	2.48	0.250	0.44	1.08	102.34
6930	3.30	1.000	1.75	5.76	108.10
7587	6.57	1.500	2.62	17.20	125.30
	-75.87		0.00	0.00	125.30
	0.00		0.00	0.00	125.30
	0.00		0.00	0.00	125.30
	0.00		0.00	0.00	125.30
	0.00		0.00	0.00	125.30
	0.00		0.00	0.00	125.30
	0.00		0.00	0.00	125.30
	0.00		0.00	0.00	125.30
	0.00		0.00	0.00	125.30

THIS INFORMATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

SIGNATURE OF AUTHORIZED REPRESENTATIVE 	NAME OF COMPANY KEY ENERGY DRILLING, INC.
NAME OF PERSON AND TITLE CHOYR GILBERT - CONTRACT MANAGER	TELEPHONE NUMBER (432) 620-0300