

### INCLINATION REPORT

Field Name: So. Crossroads Devonian  
Operator: Hill & Meeker, 1220 Vaughn Bldg. Midland, Tx. 79701  
Lease Name: State 10, Well No. 12 Unit D, Sec. 10 (10S-36E)  
Lea County, New Mexico.

### Record of Inclination

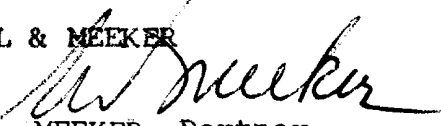
| Depth (feet)       | Angle of Inclination<br>(degrees) | Displacement<br>(feet) | Accumulative<br>Disp. (feet) |
|--------------------|-----------------------------------|------------------------|------------------------------|
| 345                | $1\frac{1}{4}$                    | 7.52                   | 7.52                         |
| 640                | $3/4$                             | 3.86                   | 11.38                        |
| 950                | $3/4$                             | 4.06                   | 15.44                        |
| 1258               | $\frac{1}{2}$                     | 2.69                   | 18.13                        |
| 1560               | 0                                 | 0                      | 18.13                        |
| 2460               | $3\frac{1}{4}$                    | 11.78                  | 29.91                        |
| 2766               | 3.4                               | 4.01                   | 33.92                        |
| 2858               | 0                                 | 0                      | 33.92                        |
| 3161               | 0                                 | 0                      | 33.92                        |
| 3570               | 1                                 | 7.14                   | 41.06                        |
| 3694               | 1                                 | 2.16                   | 43.22                        |
| 4000               | $\frac{1}{2}$                     | 2.67                   | 45.89                        |
| 4189               | $\frac{1}{2}$                     | 1.65                   | 47.54                        |
| 4481               | $\frac{1}{2}$                     | 2.55                   | 50.09                        |
| 4669               | $\frac{1}{2}$                     | 1.64                   | 51.73                        |
| 5046               | $3/4$                             | 4.93                   | 56.66                        |
| 5417               | $3/4$                             | 4.86                   | 61.52                        |
| 5700               | $\frac{1}{2}$                     | 2.47                   | 63.99                        |
| 6014               | 1                                 | 5.48                   | 69.47                        |
| 6389               | $\frac{1}{2}$                     | 3.27                   | 72.74                        |
| 7514               | 1                                 | 19.63                  | 92.37                        |
| 7720               | $\frac{1}{4}$                     | .90                    | 93.27                        |
| 8164               | $\frac{1}{4}$                     | 1.94                   | 95.21                        |
| 8400               | $\frac{1}{2}$                     | 2.06                   | 97.27                        |
| 8740               | 1                                 | 5.93                   | 103.20                       |
| 9000               | $\frac{1}{2}$                     | 2.27                   | 105.47                       |
| 9352               | $3/4$                             | 4.61                   | 110.08                       |
| 9477               | $\frac{1}{4}$                     | .55                    | 111.63                       |
| 9600               | $1\frac{1}{4}$                    | 2.68                   | 113.31                       |
| 9825               | 2                                 | 7.85                   | 121.16                       |
| 10080              | $1\frac{3}{4}$                    | 8.90                   | 130.06                       |
| 10205              | $1\frac{1}{4}$                    | 2.73                   | 132.79                       |
| 10449              | $1\frac{1}{2}$                    | 6.39                   | 139.18                       |
| 10700              | $2\frac{1}{2}$                    | 10.95                  | 150.13                       |
| 10950              | 2                                 | 8.73                   | 158.86                       |
| 11110              | $2\frac{1}{2}$                    | 6.97                   | 165.83                       |
| 11240              | 3                                 | 6.80                   | 172.63                       |
| 11590              | 2                                 | 5.24                   | 177.87                       |
| 11584              | $1\frac{1}{4}$                    | 4.23                   | 182.10                       |
| 11735              | $3/4$                             | 1.98                   | 184.08                       |
| 11895              | 1                                 | 2.79                   | 186.87                       |
| 12018              | $1\frac{1}{2}$                    | 3.22                   | 190.09                       |
| 12295              | $1\frac{1}{2}$                    | 7.25                   | 197.34                       |
| Total Displacement |                                   |                        | 197.34                       |

Survey run in Open Hole

Well #1 located 660' from N&W lines of Sec. 10, 10S, 36E, Lea County, New Mexico.

I hereby certify that I have personal knowledge of the data and facts placed hereon, and that such information is true and complete.

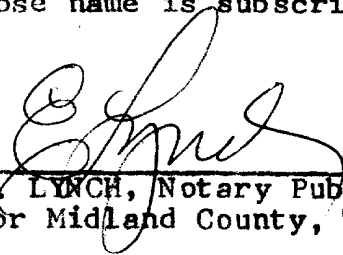
HILL & MEEKER

by:   
W.W. MEEKER, Partner.

7  
THE STATE OF TEXAS)

COUNTY OF MIDLAND)

BEFORE ME, a notary public in and for said county and state, on this day personally appeared W. W. MEEKER, former Partner in the firm doing business as HILL & MEEKER, known to me to be the person whose name is subscribed to the foregoing affidavit.

  
E. LYNCH, Notary Public in and  
for Midland County, Texas

My com. exp.  
6-1-69