

INCLINATION REPORT

OPERATOR Coastal States ADDRESS Wilco Bldg., Midland, Texas
 LEASE State "4" WELL NO. #1 FIELD Flying "M"
 LOCATION SE/4, SE/4 Sec. 4 T9S, R33E, Lea County, New Mexico

Depth	Angle Inclination (degrees)	Displacement	Displacement Accumulated
270'	1/4	1.1880	1.1880
760'	1/4	2.1560	3.3440
1235'	1/4	2.0900	5.4340
1727'	3/4	2.1648	7.5988
1800'	3/4	0.9563	8.5551
2280'	1	8.4000	16.9551
2500'	3/4	2.8820	19.8371
3000'	1	8.7500	28.5871
3200'	1	3.5000	32.0871
3530'	3/4	4.3230	36.4101
3730'	3/4	2.6200	39.0301
3887'	1	2.7475	41.7776
4070'	3/4	2.3973	44.1749
4190'	1	2.1000	46.2749
4375'	1	3.2375	49.5124
4550'	1	3.0625	52.5749

I hereby certify that the above data as set forth is true and correct to the best of my knowledge and belief.

Cactus Drilling Company

Title: Clerk

Affidavit:

Before me, the undersigned authority, appeared Ronnie Ramsey known to me to be the person whose name is subscribed herebelow, who, on making deposition, under oath states that he is acting for and in behalf of the operator of the well identified above, and that to the best of his knowledge and belief such well was not intentionally deviated from the true vertical whatsoever.

(Affiant's Signature)

Sworn and subscribed to in my presence on this the 29 day of August 1968.

Notary Public in and for the County of Lea, State of New Mexico

Seal