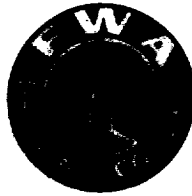


P. O. BOX 1876



MIDLAND, TEXAS
79701

July 29, 1971

Belco Petroleum Corporation
P. O. Box 19234
Houston, Texas 77024

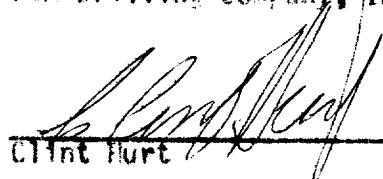
Gentlemen:

The following is the inclination report on your Midwest State #2, Lea County, New Mexico:

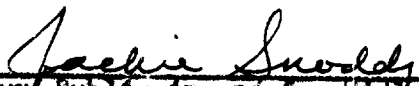
<u>Depth</u>	<u>Course Length</u>	<u>Angle of Inclination</u>	<u>Displacement per 100 feet</u>	<u>Course Displacement</u>	<u>Accumulative Displacement</u>
375	371	1/2	.87	3.22	3.22
881	507	3/4	1.31	6.62	9.84
1378	497	3/4	1.31	6.51	16.35
1849	471	1	1.75	0.24	24.56
2288	439	1	1.75	7.68	32.27
3223	936	1 1/2	2.62	24.49	56.76
3697	474	1 1/4	2.18	10.33	67.09
3954	257	1	1.75	4.49	71.58
4367	413	3/4	1.31	5.41	76.99
4809	433	3/4	1.31	5.67	82.66
5301	501	3/4	1.31	6.56	89.22
5795	494	1	1.75	8.64	97.86
6300	505	3/4	1.31	6.61	104.47
6800	500	1	1.75	8.75	113.22
7021	221	1/2	.87	1.92	115.14
7355	334	3/4	1.31	4.39	119.51
7667	312	1 1/4	2.18	6.80	126.31
8269	602	1	1.75	10.53	136.84
8659	290	3/4	1.31	3.75	140.63
8827	173	1	1.75	3.11	143.74
8924	87	1/2	.87	.75	144.49
9241	3.7	1/2	.87	2.75	147.24
9420	179	3/4	1.31	2.34	149.58
9699	275	1/2	.87	2.39	151.97
				Total	151.97

Sincerely yours,

FWA Drilling Company, Inc.


Clint Hurt

Before me personally appeared Clint Hurt known to me to be the person whose name is subscribed above. Witnesseth my hand this the 29th day of July, 1971.


Notary Public in and for Midland
County, Texas.