

INCLINATION REPORT

OPERATOR Latham & Barton ADDRESS Box 1392, Hobbs, New Mexico 88240

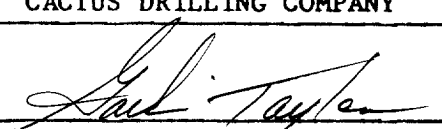
LEASE NAME Cash #1 WELL NO. 1 FIELD

LOCATION Section 30, T-9S, R-33E Lea County

| DEPTH | ANGLE INCLINATION DEGREES | DISPLACEMENT | DISPLACEMENT ACCUMULATED |
|-------|------------------------------|--------------|-----------------------------|
| 479 | 1/4 | 2.1076 | 2.1076 |
| 663 | 1/2 | 1.6008 | 3.7084 |
| 1159 | 1/2 | 4.3152 | 8.0236 |
| 1467 | 3/4 | 4.0348 | 12.0584 |
| 1815 | 1 | 6.0900 | 18.1484 |
| 2307 | 1 1/4 | 10.7256 | 28.8740 |
| 3004 | 2 | 24.3253 | 53.1993 |
| 3497 | 2 | 17.2057 | 70.4050 |
| 4043 | 1 1/2 | 14.3052 | 84.7102 |
| 4195 | 1 1/4 | 3.3136 | 88.0238 |
| 4460 | 1/2 | 2.3055 | 90.3293 |

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 Garlin Taylor, Admn. Asst.

AFFIDAVIT:


Before me, the undersigned authority, appeared Garlin Taylor 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 1st day of March, 19 78

MY COMMISSION
EXPIRES NOVEMBER 8, 1979

SEAL


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