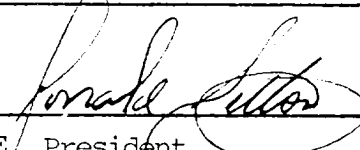


INCLINATION REPORT

OPERATOR Layton Enterprises ADDRESS 3103 79th St., Lubbock, Texas 79423
 LEASE NAME El Zorro Federal WELL NO. 3 FIELD Allison - Penn
 LOCATION Section 25, T-8-S, R-36-E 1980 S + 510/E

DEPTH	ANGLE INCLINATION DEGREES	DISPLACEMENT	DISPLACEMENT ACCUMULATED
163	1/2°	1.43	1.43
350	1/2°	1.64	3.07
797	1 °	7.82	10.89
1230	1/2°	3.79	14.68
1696	1/2°	4.08	18.76
2191	3/4°	6.53	25.29
2293	1 1/4°	2.23	27.52
2346	1 1/4°	1.16	28.68
2843	1 1/4°	10.86	39.54
3312	3/4°	6.19	45.73
3811	1 °	8.73	54.46
4160	3/4°	4.61	59.07
4620	1 °	8.05	67.12
5089	1 °	8.21	75.33
5586	3/4°	6.56	81.89
6084	3/4°	6.57	88.46
6583	1/2°	4.37	92.83
7081	3/4°	6.57	99.40

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

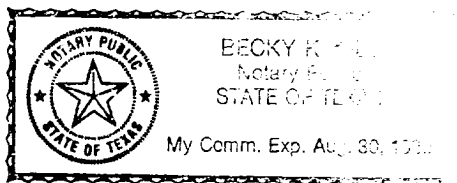
SITTON DRILLING CO.

 TITLE President

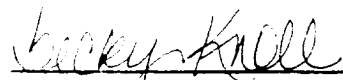
AFFIDAVIT:

Before me, the undersigned authority, appeared Ronald Sitton 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 8th day of September, 19 88




 Notary Public in and for the County of Lubbock, State of Texas

SEAL

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HOBBS OFFICE

INCLINATION REPORT

OPERATOR Layton Enterprises ADDRESS 3103 79th St., Lubbock, Texas 79423
 LEASE NAME El Zorro Federal WELL NO. 3 FIELD Allison
 LOCATION Section 25, T-8-S, R-36-E

DEPTH	ANGLE INCLINATION DEGREES	DISPLACEMENT	DISPLACEMENT ACCUMULATED
7456	3/4°	4.95	104.35
7922	3/4°	6.15	110.50
8359	1/2°	3.82	114.32
8891	1/2°	4.66	118.98
9324	3/4°	5.72	124.70
9750	1 °	7.46	132.16

SITTON DRILLING COMPANY
Inclination Report

Operator Layton Ent
Well Name and No. LL 7000 #3
County Roosevelt State N.M.

Date	Total Depth	Depth of TOTCO	Dropped Run on Line	Reading	Driller's Signature
1-15-87	203	203	R.O.C.	1/2°	
1-28-87	350	350	Drop	1/2°	John Hester
1-28-87	537	797	R.O.C.	1°	John Hester
1-28-87	1270	1230	R.O.C.	1/2°	TA Hester
1-28-87	1736	1696	R.O.C.	1/2°	TA Hester
3-7-88	2231	2191	R.O.C.	3/4°	John Smith
3-7-88	2293	2293	Drop	1 1/4°	John Smith
3-18-88	2336	2346	R.O.C.	1 1/4°	TA Hester
3-18-88	2843	2843	R.O.C.	1 1/4°	John Smith
3-18-88	3312	3312	R.O.C.	3/4°	TA Hester
3-18-88	3811	3811	R.O.C.	1°	Stanley Hester
3-18-88	4160	4160	Drop		Stanley Hester
3-18-88	4660	4620	R.O.C.	1°	Stanley Hester
3-18-88	5129	5089	R.O.C.	1°	Stanley Hester
3-18-88	5626	5586	R.O.C.	3/4°	Stanley Hester
3-25-88	6124	6084	R.O.C.	3/4°	John Hester
3-25-88	6623	6583	R.O.C.	1/2°	John Smith
3-26-88	7121	7081	R.O.C.	3/4°	John Smith
4-7-88	7496	7456	Drop	3/4°	Stanley Hester
4-29-88	7962	7922	R.O.C.	3/4°	TA Hester
4-30-88	8399	8359	R.O.C.	1/2°	TA Hester

The above signed representatives do certify that they have personal knowledge of the facts placed on this form and the facts given above are true and complete.

Tool Pusher's Signature Jimmy [Signature]

SITTON DRILLING COMPANY

Inclination Report

Operator LAYTON ENT

Well Name and No. EL ZORRO # 3

County Roosevelt State N. M.

Date Total Depth Depth of TOTCO State Dropped Run on Line Reading Driller's Signature

8-31-88 8891 8891 Drop 1/2 Stephen Huce

9-2-88 9364 9324 ROC 3/4° Richard L. Smith

9-4-88 9750 9750 Drop 1° Richard L. Smith

The above signed representatives do certify that they have personal knowledge of the facts placed on this form and the facts given above are true and complete.

Tool Pusher's Signature Jimmy [Signature]