

INCLINATION REPORT

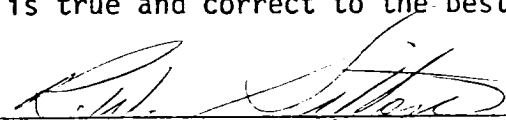
OPERATOR Walter Oil & Gas Corp. ADDRESS Main Bldg., Suite 240
Houston, Texas 77002

LEASE Peck WELL NO. #1 FIELD _____

LOCATION NW Sec. 26-T12S-R37E, Lea County, New Mexico

DEPTH	INCLINATION DEGREE	DISPLACEMENT	DISPLACEMENT ACCUMULATED
390'	1/2°	3.39	3.39
1,041'	1/2°	5.67	9.06
1,542'	3/4°	6.56	15.62
2,041'	1°	8.73	24.35
2,307'	1°	4.66	29.01
2,539'	3/4°	3.04	32.05
3,039'	3/4°	8.75	40.08
3,541'	3/4°	6.58	47.38
4,041'	1°	8.75	56.13
4,470'	1°	7.50	63.63
4,989'	1°	9.08	72.71
5,489'	1-1/4°	10.90	83.61
5,992'	1-1/4°	10.97	94.58
6,487'	1-1/2°	12.97	107.55
6,984'	1-1/2°	13.02	120.57
7,480'	1-1/2°	10.81	131.38
8,006'	1°	9.21	140.59
8,501'	1-1/4°	10.79	151.38
9,032'	1-1/2°	13.91	165.29
9,195'	1-1/4°	3.55	168.84
9,672'	1°	8.35	177.19
10,423'	1-1/4°	16.37	193.56
10,764'	1°	5.97	199.53
11,194'	1-1/4°	9.37	208.90
11,400'	1-1/2°	5.40	214.30
11,632'	1-1/2°	14.52	228.82
12,027'	1°	6.92	235.74
12,100'	3/4°	.95	236.69
12,303'	1°	3.55	240.24

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


By: R. W. Sitton

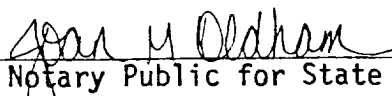
Title: Senior Vice President

Affidavit:

Before me, the undersigned authority, appeared R. W. 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 2nd day of November, 19 84.


Notary Public for State of Colorado

My Commission Expires:

February 22, 1986