

INCLINATION REPORT

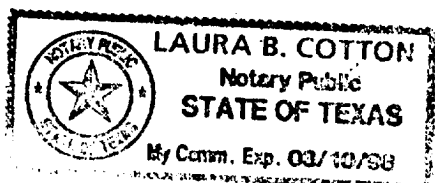
Lease Name: Chandler #1 Unit 0
 County: Lea County, New Mexico 330/S & 1650/E
 Location: Sec. 28, T-15-S, R-35-E, Lea County, New Mexico
 Operator: Hanley Petroleum, Inc.
 415 West Wall, Suite 1500
 Midland, Texas 79701 30-025-33175

*11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
197	197	1/4	.44	.87	.87
382	185	3/4	1.31	2.42	3.29
891	509	1/2	.87	4.43	7.72
1,369	478	1/2	.87	4.16	11.88
2,012	643	1/4	.44	2.83	14.71
2,505	493	1/2	.87	4.29	19.00
2,999	494	1 1/2	2.62	12.94	31.94
3,250	251	1 1/4	2.18	5.47	37.41
3,501	251	1	1.75	4.39	41.80
3,999	498	1	1.75	8.72	50.52
4,501	502	1/2	.87	4.37	54.89
4,625	124	1/4	.44	.55	55.44
5,096	471	1/2	.87	4.10	59.54
5,594	498	1/2	.87	4.33	63.87
6,092	498	3/4	1.31	6.52	70.39
6,590	498	1 1/4	2.18	10.86	81.25
6,746	156	1/2	.87	1.36	82.61
7,246	500	1/2	.87	4.35	86.96
7,744	498	3/4	1.31	6.52	93.48
8,025	281	1/2	.87	2.44	95.92
8,522	497	1 1/4	2.18	10.83	106.75
8,772	250	1 1/4	2.18	5.45	112.20
9,085	313	1/2	.87	2.72	114.92
9,585	500	3/4	1.31	6.55	121.47
9,866	281	3/4	1.31	3.68	125.15
10,337	471	1/4	.44	2.07	127.22
10,696	359	1/2	.87	3.12	130.34
10,830	134	1	1.75	2.35	132.69
11,300	470	3/4	1.31	6.16	138.85
11,744	444	1/2	.87	3.86	142.71
12,000	256	1/4	.44	1.13	143.84

The undersigned hereby certifies that she is the authorized representative and that the data reported is true, correct and complete to the best of her knowledge.

Treva Forrester
 Treva Forrester
 GENE SLEDGE DRILLING CORPORATION
 (915) 683-5261

Sworn to and subscribed before me this 18th day of March, 1996.



Laura B Cotton
 Notary Public in and for the State of Texas