

MGF DRILLING COMPANY - MIDLAND  
P. O. Box 6370  
Midland, Texas 79711-0370  
(915) 563-4850

INCLINATION REPORT

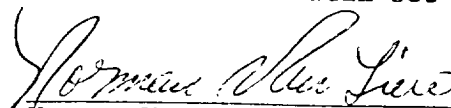
OPERATOR: Amoco Production Company  
Attn: Mr. L. R. Smith  
P. O. Box 68  
Hobbs, New Mexico 88240

LOCATION: State "HQ" No. 8  
Lea County, New Mexico,  
Sec. 26, T-18-S, R-34-E

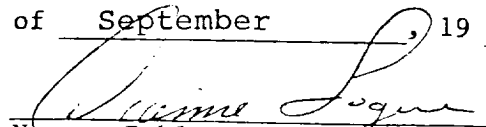
| Depth<br>Feet | Inclination<br>Degrees | Depth<br>Feet | Inclination<br>Degrees | Depth<br>Feet | Inclination<br>Degrees |
|---------------|------------------------|---------------|------------------------|---------------|------------------------|
| 312           | 1                      | 9,417         | 3/4                    |               |                        |
| 773           | 3/4                    | 9,834         | 3-3/4                  |               |                        |
| 1,218         | 1/2                    | 9,893         | 2-1/2                  |               |                        |
| 1,708         | 3/4                    | 9,982         | 3-3/4                  |               |                        |
| 2,201         | 1/2                    | 10,057        | 3-1/2                  |               |                        |
| 2,693         | 1/2                    | 10,108        | 3-1/4                  |               |                        |
| 3,185         | 1                      | 10,242        | 2-1/2                  |               |                        |
| 3,400         | 1-3/4                  | 10,355        | 2-1/2                  |               |                        |
| 4,000         | 1                      | 10,640        | 2-1/2                  |               |                        |
| 4,521         | 1/2                    | 10,900        | 1-3/4                  |               |                        |
| 5,014         | 1/2                    |               |                        |               |                        |
| 5,504         | 3/4                    |               |                        |               |                        |
| 5,987         | 1                      |               |                        |               |                        |
| 6,480         | 1-1/4                  |               |                        |               |                        |
| 6,645         | 1-1/4                  |               |                        |               |                        |
| 7,170         | 1                      |               |                        |               |                        |
| 7,659         | 1                      |               |                        |               |                        |
| 8,153         | 1/4                    |               |                        |               |                        |
| 8,297         | 1                      |               |                        |               |                        |
| 8,790         | 3/4                    |               |                        |               |                        |
| 8,928         | 1/2                    |               |                        |               |                        |

STATE OF TEXAS  
COUNTY OF MIDLAND

The undersigned states that he has knowledge of the facts and matter herein set forth and that the same are true and correct.

  
Norman Van Liew, Operations Manager

SUBSCRIBED AND SWORN TO BEFORE ME this the 12th day of September, 19 84

  
Notary Public in and for the State  
of Texas

My Commission Expires: 8-9-85

