

INCLINATION REPORT

OPERATOR: ~~Meridian Oil Inc.~~
Southland Property
LEASE NAME: Federal 21
LOCATION: Lea County, New Mexico

ADDRESS: 21 Desta Drive
Midland, Texas 79705
WELL#: 4 FIELD: _____

Measured Depth	Angle of Inc.	Displacement Per 100 ft.	Accumulative Displacement
362 *	0.50	0.87 *	3.1494
834 *	0.25	0.44 *	5.2262
1307 *	0.25	0.44 *	7.3074
1546 *	0.50	0.87 *	9.3867
1763 *	0.75	1.31 *	12.2294
1979 *	0.75	1.31 *	15.0590
2164 *	0.50	0.87 *	16.6685
2388 *	0.50	0.87 *	18.6173
2637 *	0.75	1.31 *	21.8792
2825 *	1.25	2.18 *	25.9776
2918 *	1.25	2.18 *	28.0050
3007 *	0.75	1.31 *	29.1709
3314 *	0.50	0.87 *	31.8418
2770 *	1.00	1.75 *	22.3218
3901 *	0.50	0.87 *	32.1615
4359 *	1.00	1.75 *	40.1765
4802 *	1.00	1.75 *	47.9290
5174 *	0.75	1.31 *	52.8022
5500 *	1.25	2.18 *	59.9090

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

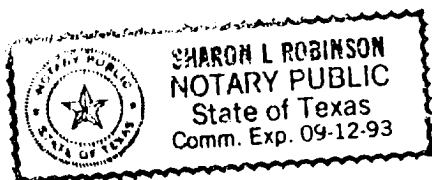
Rebecca Edwards
TITLE: DRILLING SECRETARY

AFFIDAVIT:

Before me, the undersigned authority, appeared Rebecca Edwards known to me to be the person whose name is subscribed hereabove, who, on making deposition, under oath states that she is acting for and in behalf of the Operator of the well identified above, and that to the best of her knowledge and belief such well was not intentionally deviated from the true vertical whatsoever.

Rose Mc Callum
AFFIANT'S SIGNATURE

Sworn and subscribed to in my presence on this 13 day of December 1989.



Sharon L. Robinson
Notary Public in and for
the County of Midland,
State of Texas.

My Commission Expires: 9/12/93

SEAL