



KEY ENERGY DRILLING, INC.
P.O. Box 1295
Midland, Texas 79702
Phone 915-570-0494
Fax 915-570-0465

To Whom It May Concern:

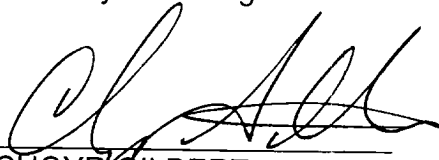
RE: STATE OF NEW MEXICO
OIL AND GAS DIVISION
INCLINATION REPORT

SUR: 511/S & 2275/E Unit 8
BAL: 669/S & 2672/E Unit 10
33-185-382
30-025-35011

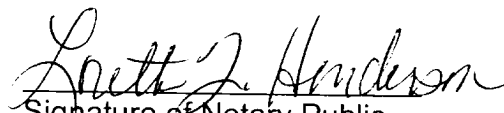
Lease Name:	NORTH HOBBS UNIT
Well Number:	#33-734
County/State:	LEA NM
Operator:	OCCIDENTAL PERMIAN LTD(OPERATOR NO. 617544)
Address:	ATTN: MARK STEPHENS
Address:	PO BOX 4294
Address:	HOUSTON TX 77210-4294
Location:	

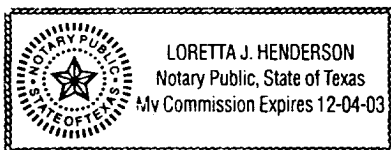
I, **CHOYR GILBERT**, Contract Manager for Key Energy Drilling, Inc., PO Box 1295, Midland, TX 79702, declare that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on this form and that such data and facts are true, correct, and complete to the best of my knowledge.

Sworn to and Subscribed Before Me by the said

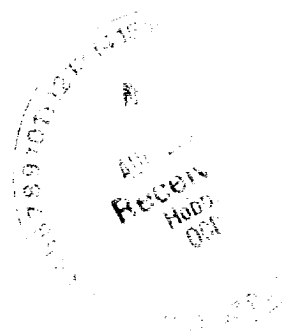

CHOYR GILBERT
Contract Manager

This the 14th day of July, 2000


Signature of Notary Public
In and for the State of Texas



LORETTA J. HENDERSON
Print Name of Notary Public



**STATE OF NEW MEXICO
OIL AND GAS DIVISION**

INCLINATION REPORT

FIELD NAME Hobbs; Grayburg-San Andres	LEASE NAME North Hobbs G/SA Unit	WELL NUMBER 734
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OPERATOR OCCIDENTAL PERMIAN Limited Partnership	COUNTY LEA NM
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ADDRESS PO BOX 4294, HOUSTON TX 77210-4294 ATTN:MARK STEPHENS

LOCATION Letter O, Section 33, T-18-S, R-38-E

RECORD OF INCLINATION

MEASURED DEPTH FEET	COURSE LENGTH HUNDREDS OF FEET	ANGLE OF INCLINATION DEGREE	DISPLACEMENT PER HUNDRED FEET	COURSE DISPLACEMENT FEET	ACCUMULATIVE DISPLACEMENT
217	2.17	1.50	2.62	5.68	5.68
691	4.74	1.00	1.75	8.27	13.95
1188	4.97	1.00	1.75	8.67	22.63
1503	3.15	1.75	3.05	9.62	32.25
1786.3	2.83	0.21	0.37	1.04	33.28
1849	0.63	1.25	2.18	1.37	34.65
1912	0.63	2.05	3.58	2.25	36.91
1973	0.61	3.06	5.34	3.26	40.16
2036	0.63	3.75	6.54	4.12	44.28
2098	0.62	3.69	6.44	3.99	48.27
2160	0.62	4.69	8.18	5.07	53.34
2222	0.62	5.57	9.71	6.02	59.36
2284	0.62	6.89	12.00	7.44	66.80
2347	0.63	8.02	13.95	8.79	75.59
2441	0.94	9.71	16.87	15.85	91.44
2503	0.62	10.52	18.26	11.32	102.76
2597	0.94	11.28	19.56	18.39	121.15
2690	0.93	10.89	18.89	17.57	138.72
2782	0.92	11.36	19.70	18.12	156.84
2876	0.94	10.72	18.60	17.48	174.32
2937	0.61	11.06	19.18	11.70	186.03
3029	0.92	11.46	19.87	18.28	204.31
3121	0.92	10.87	18.86	17.35	221.66
3215	0.94	11.22	19.46	18.29	239.95
3310	0.95	11.20	19.42	18.45	258.40
3403	0.93	10.96	19.01	17.68	276.08
3497	0.94	10.72	18.60	17.48	293.56
3559	0.62	10.77	18.69	11.59	305.15
3822	2.63	11.18	19.39	50.99	356.14
3682	-1.40	11.22	19.46	-27.24	328.90
3775	0.93	11.15	19.34	17.98	346.89
3837	0.62	11.37	19.71	12.22	359.11
3869	0.32	11.23	19.47	6.23	365.34
3900	0.31	11.23	19.47	6.04	371.38
3963	0.63	10.86	18.84	11.87	383.25
4023	0.60	10.79	18.72	11.23	394.48
4086	0.63	11.62	20.14	12.69	407.17
4180	0.94	11.87	20.57	19.34	426.51
4275	0.95	12.02	20.83	19.78	446.29
4383	1.08	12.22	21.17	22.86	469.15
	-43.83		0.00	0.00	469.15

INCLINATION REPORT

LOCATION
Letter O, Section 33, T-18-S, R-38-E

SIGNATURE OF AUTHORIZED REPRESENTATIVE 	NAME OF COMPANY KEY ENERGY DRILLING, INC.
NAME OF PERSON AND TITLE CHOYR GILBERT - CONTRACT MANAGER	TELEPHONE NUMBER (915) 570-0494