

INCLINATION REPORT

11-Jun-90

OPERATOR: Meridian Oil, Inc.
ADDRESS: 21 Desta Drive
Midland, Texas 79705

WELL NAME: Mitchell 16 State No. 2
LOCATION: Section 16, T-18-S, R-32-E
Lea County, New Mexico

469/N + 554/E

RECORD OF INCLINATION

MEASURED DEPTH (feet)	COURSE LENGTH	ANGLE OF INCLINATION (Degrees)	DISPLACEMENT PER HUNDRED FEET (Sine of Angle X100)	COURSE DISPLACEMENT (feet)	ACCUMULATIVE DISPLACEMENT (feet)
182	182	0.75	1.31	2.39	2.39
350	168	0.50	0.88	1.47	3.86
604	254	1.50	2.63	6.67	10.53
821	217	1.00	1.75	3.80	14.32
1074	253	1.75	3.06	7.75	22.07
1229	155	1.50	2.63	4.07	26.14
1290	61	1.75	3.06	1.87	28.01
1481	191	1.50	2.63	5.01	33.02
1733	252	2.00	3.50	8.82	41.84
1854	121	1.75	3.06	3.71	45.55
2074	220	1.75	3.06	6.74	52.29
2325	251	1.25	2.19	5.49	57.78
2517	192	2.00	3.50	6.72	64.50
2641	124	2.00	3.50	4.34	68.84
2723	82	2.00	3.50	2.87	71.71
2766	43	1.75	3.06	1.32	73.02
2900	134	2.00	3.50	4.69	77.71
3051	151	1.00	1.75	2.64	80.36
3546	495	1.00	1.75	8.66	89.02
4045	499	1.50	2.63	13.10	102.12
4522	477	0.50	0.88	4.17	106.29
5021	499	1.75	3.06	15.28	121.57
5324	303	0.50	0.88	2.65	124.22
5807	483	0.75	1.31	6.34	130.56
6247	440	1.50	2.63	11.55	142.11
6600	353	1.25	2.19	7.72	149.84
7097	497	1.25	2.19	10.87	160.71
7533	436	2.50	4.38	19.08	179.78
7690	157	1.50	2.63	4.12	183.90
8078	388	2.50	4.38	16.98	200.88
8162	84	2.50	4.38	3.68	204.55
8285	123	2.00	3.50	4.31	208.86
8599	314	1.25	2.19	6.87	215.73
9037	438	1.50	2.63	11.50	227.22
9538	501	1.00	1.75	8.77	235.99
10011	473	3.00	5.25	24.83	260.82
10136	125	2.00	3.50	4.38	265.20
10293	157	0.75	1.31	2.06	267.26
10427	134	1.00	1.75	2.35	269.61
11100	673	2.00	3.50	23.56	293.16

Accumulative total displacement at well bore at total depth of 11,100 feet = 293.16 feet.
Inclination measurements were made in - Tubing Casing Open Hole X Drill Pipe.
At no time was the subject well intentionally deviated from the vertical in any manner whatsoever.

INCLINATION DATA CERTIFICATION

I 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.

M. D. Mosley
Signature of Authorized Representative

M. D. Mosley, Vice President Operations
Name of Person and Title

TOI Drilling Corporation
Name of Company

Telephone: (915) 563-1948

STATE OF TEXAS)

COUNTY OF MIDLAND)

Subscribed and sworn before me this 11th day of June, 1990

Elizabeth A. Knight
Notary Public, State of Texas
Elizabeth A. Knight

My commission expires the 10th day of June, 1993.