INCLINATION REPORT

OPERATOR	STEVENS & TULL, INC.	ADDRESS P.O. BOX 11005, M	IIDLAND, TEXAS 79702
LEASE NAME	КҮТЕ	WELL NO. 7 Unit A D-	
LOCATION	SECTION 23, T-20-S, R-38-E, LEA COU	INTY, NEW MEXICO $990/0$	9 300/8
DEPT	ANGLE H INCLINATION DEGREES	DISPLACEMENT	DISPLACEMENT ACCUMULATED
185	0.25	0.81	0.81
444	0.50	2.27	3.07
919	0.75	6.27	9.34
1416	1.00	8.70	18.04
1571	1.00	2.71	20.75
2051	1.25	10.49	31.24
2551	2.00	17.45	48.69
2800	2.00	8.69	57.38
3049	1.00	4.36	61.74
3517	1.25	10.23	71.97
4017	1.00	8.75	80.72

I hereby certify that the above data as set forth is true and correct to the best of my knowledge and belief.

1.00

1.00

1.00

0.75

1.00

0.50

1.00

1.50

1.00

4513

4987

5455

5947

6410

6885

7358

7450

7950

SITTON DRILLING COMPANY

Title PRESIDENT

8.68

8.30

8.19

6.49

8.10

4.16

8.28

2.41

8.75

89.40

97.69

105.88

112.38

120.48

124.63

132.91

135.32

144.07

Stevens & Tull, Inc. September 8, 1997 Page Two

AFFIDAVIT:

Before me, the undersigned authority, appeared Ronald deposition, under oath states that he is acting for and in beh such well was not intentionally deviated from the true vert	Sitton known to me to be the person whose name is subscribed herebelow, who, on making half of the operator of the well identified above, and that to the best of his knowledge and belief tical whatsoever. AFFIANT'S SIGNATURE
Sworn and subscribed to in my presence on this the	8 day of
SEAL GLENDA CHRISTOPHER Notary Public, State of Texas My Commission Expires 02-08-200	of Lubbock State of Texas

SEAL

Submit 3 Conies

State of New Mexico

Form C-103 Energy, ... inerals and Natural Resources Department to Appropriate District Office Revised 1-1-89 OIL CONSERVATION DIVISION P.O. Box 1980, Hobbs, NM 88240 WELL API NO. 2040 Pacheco St. 30-025-34107 DISTRICT II Santa Fe. NM 87505 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lease FEE X STATE DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. N/A SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: OIL WELL $\begin{bmatrix} \mathbf{x} \end{bmatrix}$ WELL KYTE 2. Name of Operator 8. Well No. STEVENS & TULL, INC. Address of Operator 9. Pool name or Wildcat .O. BOX 11005, MIDLAND TX 79702 DK ABO Well Location NORTH EAST Unit Letter . Feet From The Line and Feet From The Line Section Township thip 20S Range 38E 10. Elevation (Show whether DF, RKB, RT, GR, etc.) LEA 3563 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK **ALTERING CASING** TEMPORARILY ABANDON **CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT PULL OR ALTER CASING CASING TEST AND CEMENT JOB OTHER: Set Surface Casing OTHER: 12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. 8/22/97 - Spud 12 1/4" hole @ 6:10 p.m. - 8/21/97 8/23/97 - TD 12 1/4" hole @ 1611' RIH W/35 jts - 8 5/8"-24#-J55 casing TD 1611'. Cement w/615 sx Class "C" + 4% gel + 2% CaCl2 Tail w/200 sx Class "C" + 2% CaCl2 curculated 208 sx cement to surface. 8/25/97- WOC 18 hrs - NU BOP's test OK - Install H2S Safety Eqpt. - Begin Drilling 7 7/8" hole I hereby certify that the information above is true and complete to the best of my knowledge and belief. GONSULTING ENGINEER 9/2/97 SIGNATURE TYPE OR PRINT NAME MICHAEL G. MOONEY TELEPHONE NO. 915/699-1410ORIGINAL SIGNED BY (This space for State Use) GARY WINK 29 197

APPROVED BY-

CONDITIONS OF APPROVAL, IF ANY:

FIELD REP. II

District I PO Box 1980, Hobbs, NM 88241-1980

PO Drawer DD, Artesia, NM \$\$211-0719 District III 1000 Rio Brazos Rd., Aztec, NM 87410

State of New MexicoRECEIVED FEB 2 8 1994

Revised February 10, 1994 Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Form C-101

Fee Lease - 5 Copies

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

District IV PO Box 2088, Sa	nta Pe, NM	87504-2	068		•						AME	ENDED REPO	RT
APPLICA	MOIT	FOR	PER				ITER, D	EEPE	N, PLUGB	ACK,	OR A	ADD A ZO	NE
		•:	٠.,,	•	•	me and Address.						OCRID Number 21602	
				P.O.	Box 110	111, Inc 005 :as 79702						25-341	 07
' Prop 010	rty Code 711			-		'F Kyte	roperty Nam	•	,			* Well No.	7
					···	7 Surface	Location	1					
UL or lot ac.	Section 23	20		Range 38E	Lot Ida	Feet from the 990	North/Son		Feet from the 330	Eas'	e et Eac E	Cocaty Lea	
		8	Pro	posed	Bottom	Hole Locat	ion If D	ifferer	nt From Sur	face			
UL er lot ao.	Section	Town	hip -	Range	Lot ida	Feet from the	North/Soc	th line	Fost from the	East/W	est Lac	County	
DK A	bo	'h	o posse	d Pool 1			E	Cast V	"Propos Varren Tubl	ad Pool 2			
11 Work 7			u ·	Well Type	Code	" Cable	Rotary		" Lesse Type Co	de	u Gro	and Level Elevel 3563	D-8
" Mu			17	Proposed	•	" For	sation		" Contractor			M Sped Date	\dashv

Work Type Code N	Well Type Code O	¹³ Cable/Rotary R	H Lease Type Code	Ground Level Elevados 3563
" Multiple	17 Proposed Depth	" Formation	1º Contractor	Sped Date
No ·	7950	. Abo	Sitton #8	8/20/97
	31 -	***************************************		

²¹ Proposed Casing and Cement Program

Hole Slae	Casing Size	Casing weight/foot	Setting Depth	Socks of Coment	Estimated TOC
12 1/4	8 5/8	24	1600	810	surface
./ 7 7/8	5 1/2	17	7950	810	2800
7.00					

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive mas. Describe the blowest prevention program, if any. Use additional shoets if necessary,

- Drill 12 1/4" hole to an estimated 1600' or hard formation w/ fresh water 1.
- Set 8 5/8" casing @ 1600', cement w/ 610 sx"c" + 4% gel + 2% Cacl2 & tail w/ 200 sx "c" - circulate to surface. WOC - 12 hrs before drill out
- Drill 7 7/8" hole w/ brine water to 7950'. Run open hole logs
- Set 5 1/2" 17# casing @ 7950. Cement w/ 545 sx "h" 35:65 Poz & tail w/ 265 sx "h" - Estimated TOC @ 2800' - verified by open hole calipher
- H2S package will be installed before topping the Yates Formation "

³⁶ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	OIL CONSERVATION DIVISION			
Signatural Milland Africa Company	Approved by: ORIGINAL SIGNED BY CHRIS WILLIAMS			
Printed nume: Michael G. Mooney	Title:			
Tide: Consulting Engineer	Approval Data: UJ 1 DJ Expiration Data:			
Data: Phone:	Conditions of Approval: Attached □			