

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

RECEIVED FEB 03 1998

INCLINATION REPORT

FIELD NAME	LEASE NAME TERRY	WELL NUMBER 1 <i>Unit G</i>
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OPERATOR Stevens & Tull, Inc.	COUNTY LEA
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ADDRESS P.O. Box 11005, Midland, Texas 79702
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30-025-34157

LOCATION Sec. 24, T20S, R38E <i>1880/N + 1980/E</i>

RECORD OF INCLINATION

MEASURED DEPTH FEET	COURSE LENGTH HUNDREDS OF FEET	ANGLE OF INCLINATION DEGREE	DISPLACEMENT PER HUNDRED FEET	COURSE DISPLACEMENT FEET	ACCUMULATIVE DISPLACEMENT
190	1.90	0.25	0.44	0.83	0.83
431	2.41	0.50	0.87	2.10	2.93
930	4.99	0.25	0.44	2.18	5.11
1428	4.98	0.75	1.31	6.52	11.63
1553	1.25	0.25	0.44	0.55	12.17
2027	4.74	0.75	1.31	6.20	18.38
2523	4.96	1.00	1.75	8.66	27.03
3020	4.97	1.50	2.62	13.01	40.04
3517	4.97	1.25	2.18	10.84	50.89
4014	4.97	1.00	1.75	8.67	59.56
4512	4.98	1.00	1.75	8.69	68.25
5011	4.99	0.75	1.31	6.53	74.78
5510	4.99	0.75	1.31	6.53	81.31
6006	4.96	1.00	1.75	8.66	89.97
6478	4.72	1.00	1.75	8.24	98.21
6944	4.66	1.00	1.75	8.13	106.34
7443	4.99	0.75	1.31	6.53	112.87
7912	4.69	1.00	1.75	8.19	121.06

THIS INFORMATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

SIGNATURE OF AUTHORIZED REPRESENTATIVE <i>Rusty Rose</i>	NAME OF COMPANY KEY ENERGY DRILLING, INC.
NAME OF PERSON AND TITLE RUSTY ROSE - CONTRACT MANAGER	TELEPHONE NUMBER (806) 894-7386