

INCLINATION REPORT

OPERATOR Continental Oil Company ADDRESS Box 460, Hobbs, New Mexico 88240
 LEASE NAME State F-1 WELL NO. 7 FIELD _____
 LOCATION Section 1, T-21S, R-36E, Lea County, New Mexico

DEPTH	ANGLE INCLINATION DEGREES	DISPLACEMENT	DISPLACEMENT ACCUMULATED
224	1/2	1.9488	1.9488
468	3/4	3.1964	5.1452
717	3/4	3.2619	8.4071
925	1	3.6400	12.0471
1310	1	6.7375	18.7846
1560	1 1/4	5.4500	24.2346
1810	1 1/4	5.4500	29.6846
2060	1 1/2	6.5500	36.2346
2307	1 1/2	6.4714	42.7060
2543	2	7.2364	50.9424
2775	1 3/4	7.0760	58.0184
2874	1 3/4	3.0195	61.0379
3393	1 1/2	13.5978	74.6357
3527	1 1/4	2.9212	77.5569
3764	1 1/4	5.1666	82.7235

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

John Ayers
 TITLE John Ayers, Office Manager

AFFIDAVIT:

Before me, the undersigned authority, appeared John Ayers
 known to me to be the person whose name is subscribed herebelow, who, on making
 deposition, under oath states that he is acting for and in behalf of the operator
 of the well identified above, and that to the best of his knowledge and belief such
 well was not intentionally deviated from the true vertical whatsoever.

John Ayers
 AFFIANT'S SIGNATURE

Sworn and subscribed to in my presence on this the 22nd day of August, 1978

MY COMMISSION EXPIRES MARCH 1, 1980

SEAL

James E. Mayrick
 Notary Public in and for the County
 of Lea, State of New Mexico