INCLINATION REPORT

| OPERATOR | Marathon Oil Company | ADDRESS P. O. Box 2 | 2409 Hobbs, NM |
|----------|--------------------------|------------------------------|-----------------------------|
| LEASE | South Eunice Unit | WELL NO. 435 FIELD S. Eunice | Seven-Rivers/Queen |
| LOCATION | 890' FSL & 1090' FWL, | Section 36, T22S, R36E | |
| Depth | Inclination (Degrees) | Displacement | Displacement Accumulated |
| 385 | 1/2 | 3.36 | 3.36 |
| 867 | 1/2 | 4.21 | 7.57 |
| 1368 | 3/4 | 6.56 | 14.13 |
| 1868 | 1 | 8.73 | 22.86 |
| 2368 | 1 1/2 | 13.09 | 35.95 |
| 2863 | 1 1/2 | 12.96 | 48.91 |
| 3391 | 1 3/4 | 16.12 | 65.03 |
| 3592 | 2 | 7.01 | 72.04 |
| 3800 | 1 1/2 | 5.44 | 77.48 |

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

Title: Production Engineer

Affidavit:

Before me, the undersigned authority, appeared Thomas F. Zapatka 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.

(Affiant's Cignature)

Sworn and subscribed to in my presence on this the 3D day of Jinney 1984.

Notary Public in and for the County of Lea, State of New Mexico

My Commission Expires 7-21-84