

MAR 20 2000

STATE OF NEW MEXICO
OIL AND GAS DIVISION

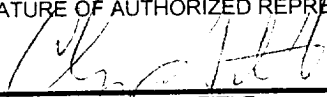
INCLINATION REPORT

FIELD NAME	LEASE NAME SHARBRO FEDERAL	WELL NUMBER #3
		2000 APR 19 12:48
OPERATOR MYCO INDUSTRIES, INC.		COUNTY LEA COUNTY NMGT.
ADDRESS		RESERVOIR RESOURCE AREA
LOCATION		

RECORD OF INCLINATION

MEASURED DEPTH FEET	COURSE LENGTH HUNDREDS OF FEET	ANGLE OF INCLINATION DEGREE	DISPLACEMENT PER HUNDRED FEET	COURSE DISPLACEMENT FEET	ACCUMULATIVE DISPLACEMENT
220	2.20	0.25	0.44	0.96	0.96
628	4.08	0.50	0.87	3.56	4.52
1116	4.88	1.00	1.75	8.52	13.04
1615	4.99	1.00	1.75	8.71	21.75
2120	5.05	0.75	1.31	6.61	28.36
2619	4.99	1.25	2.18	10.89	39.24
3091	4.72	1.25	2.18	10.30	49.54
3434	3.43	1.00	1.75	5.99	55.52
3808	3.74	0.50	0.87	3.26	58.79
3902	0.94	0.50	0.87	0.82	59.61
3965	0.63	0.50	0.87	0.55	60.16
4027	0.62	0.50	0.87	0.54	60.70
4130	1.03	0.25	0.44	0.45	61.15
4184	0.54	0.75	1.31	0.71	61.86
4247	0.63	0.75	1.31	0.82	62.68
4340	0.93	1.00	1.75	1.62	64.30
4434	0.94	1.50	2.62	2.46	66.76
4619	1.85	1.00	1.75	3.23	69.99
5019	4.00	0.75	1.31	5.24	75.23
5487	4.68	1.00	1.75	8.17	83.40
5987	5.00	0.25	0.44	2.18	85.58
6485	4.98	0.75	1.31	6.52	92.10
6985	5.00	1.00	1.75	8.73	100.82
7485	5.00	1.25	2.18	10.91	111.73
7985	5.00	1.00	1.75	8.73	120.46
8482	4.97	0.75	1.31	6.51	126.96
8710	2.28	1.75	3.05	6.96	133.92
	-87.10		0.00	0.00	133.92
	0.00		0.00	0.00	133.92
	0.00		0.00	0.00	133.92
	0.00		0.00	0.00	133.92
	0.00		0.00	0.00	133.92
	0.00		0.00	0.00	133.92

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

SIGNATURE OF AUTHORIZED REPRESENTATIVE 	NAME OF COMPANY KEY ENERGY DRILLING, INC.
NAME OF PERSON AND TITLE CHOYR GILBERT - CONTRACT MANAGER	TELEPHONE NUMBER (915) 570-0494