

INCLINATION REPORT

OPERATOR Continental Oil Company ADDRESS P.O. Box 460, Hobbs, New Mexico 88240

LEASE North El. Mar Unit WELL NO. 59 FIELD

LOCATION 600' FSL & 900' FSL Section 32 T-26S, R-34E, New Mexico

Depth	Angle Inclination (degrees)	Displacement	Displacement Accumulated
233	1/4	1.0252	
460	1/2	1.9748	
686	1	3.3250	
913	1 1/4	5.0140	
1130	1 1/2	7.0000	
1356	1 3/4	9.3841	
1583	1 3/4	12.1681	
1809	1 3/4	15.3522	
2036	1 3/4	18.9363	
2262	1 1/2	22.4484	
2489	1 1/4	26.0000	
2715	1 1/4	29.5841	
2942	1 1/4	33.1681	
3168	1 1/4	36.7522	
3395	2 1/2	40.2943	
3621	2 1/2	43.8064	
3848	2 1/2	47.3185	
4074	2 1/2	50.8306	
4301	2 1/2	54.3427	
4527	2 1/2	57.8548	
4754	2 1/2	61.3669	

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

Ken Hedrick
Title: Ken Hedrick, Drilling Superintendent

Affidavit:

Before me, the undersigned authority, appeared Ken Hedrick 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.

Ken Hedrick
(Affiant's Signature)

Sworn and subscribed to in my presence on this the 27th day of December 1976.