

STATE OF NEW MEXICO
OIL AND GAS DIVISION

INCLINATION REPORT

FIELD NAME <i>Padlock</i> Teague Blinebry	LEASE NAME W.H. ELSON	WELL NUMBER 2
---	---------------------------------	-----------------------------

OPERATOR Arch Petroleum Inc.	COUNTY LEA
---------------------------------	----------------------

30-025-33322

ADDRESS 10 Desta Drive, Suite 420E Midland, Texas 79705

LOCATION 2310' FSL and 2310' FWL, Section 21, Unit K, T23S R37E
--

RECORD OF INCLINATION

MEASURED DEPTH FEET	COURSE LENGTH HUNDREDS OF FEET	ANGLE OF INCLINATION DEGREE	DISPLACEMENT PER HUNDRED FEET	COURSE DISPLACEMENT FEET	ACCUMULATIVE DISPLACEMENT
506	5.06	0.50	0.87	4.42	4.42
1105	5.99	0.50	0.87	5.23	9.64
1500	3.95	0.50	0.87	3.45	13.09
2120	6.20	0.50	0.87	5.41	18.50
2279	1.59	2.50	4.36	6.94	25.44
2391	1.12	2.25	3.93	4.40	29.83
2516	1.25	2.75	4.80	6.00	35.83
2672	1.56	3.00	5.23	8.16	43.99
2766	0.94	2.00	3.49	3.28	47.28
2869	1.03	2.25	3.93	4.04	51.32
3515	6.46	1.50	2.62	16.91	68.23
4017	5.02	1.25	2.18	10.95	79.18
4518	5.01	1.00	1.75	8.74	87.92
5000	4.82	1.00	1.75	8.41	96.34
5498	4.98	0.75	1.31	6.52	102.85
5980	4.82	0.50	0.87	4.21	107.06

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