

STATE OF NEW MEXICO

OIL AND GAS DIVISION

INCLINATION REPORT

FIELD NAME Teague Blinebry	LEASE NAME M. K. Stewart	WELL NUMBER 10
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OPERATOR Arch Petroleum Inc.	COUNTY Lea
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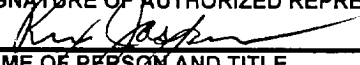
ADDRESS 10 Desta Dr., Suite 420E Midland, Texas 79705
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LOCATION 330' FSL and 1340' FEL Section 28, T23S, R37E, Unit O

RECORD OF INCLINATION

MEASURED DEPTH FEET	COURSE LENGTH HUNDREDS OF FEET	ANGLE OF INCLINATION DEGREE	DISPLACEMENT PER HUNDRED FEET	COURSE DISPLACEMENT FEET	ACCUMULATIVE DISPLACEMENT
500	500	1/2	0.88	4.40	4.40
1030	530	1/2	0.88	4.66	9.06
1533	503	1/2	0.88	4.43	13.49
1824	291	3/4	1.31	3.81	17.30
1940	116	1	1.75	2.03	19.33
2097	157	1-1/4	2.19	3.44	22.77
2254	157	1-1/2	2.63	4.13	26.90
2388	134	1-3/4	3.07	4.11	31.01
2512	124	1-1/2	2.63	3.26	34.27
2595	83	1-1/2	2.63	2.18	36.45
2731	136	1-1/2	2.63	3.58	40.03
2854	123	1-1/4	2.19	2.69	42.72
3000	146	1-3/4	3.07	4.48	47.20
3156	156	1-1/2	2.63	4.10	51.30
3252	96	1-1/2	2.63	2.52	53.82
3751	499	1/2	0.88	4.37	58.19
4083	332	3/4	1.31	4.36	62.55
4576	493	1	1.75	8.63	71.18
4809	233	1	1.75	4.08	75.26
5292	483	1	1.75	8.45	83.71
5500	208	3/4	1.31	2.73	86.44
6000	500	3/4	1.31	6.56	93.00

This information is true and correct to the best of my knowledge.

SIGNATURE OF AUTHORIZED REPRESENTATIVE 	NAME OF COMPANY Arch Petroleum Inc.
NAME OF PERSON AND TITLE Rex Jasper, VP Operations	TELEPHONE NUMBER (915) 685-1961