

**STATE OF NEW MEXICO
OIL AND GAS DIVISION**

INCLINATION REPORT

FIELD NAME Teague Paddock Blinebry	LEASE NAME C.E. LAMUNYON	WELL NUMBER 68
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OPERATOR Arch Petroleum Inc.	COUNTY LEA
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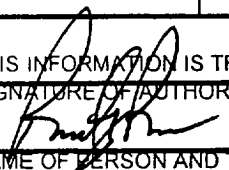
ADDRESS 10 Desta Drive, Suite 420E Midland, Texas 79705
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LOCATION Sec. 27, T23S, R37E, 10' FNL and 330' FNL

RECORD OF INCLINATION

MEASURED DEPTH FEET	COURSE LENGTH HUNDREDS OF FEET	ANGLE OF INCLINATION DEGREE	DISPLACEMENT PER HUNDRED FEET	COURSE DISPLACEMENT FEET	ACCUMULATIVE DISPLACEMENT
495	4.95	0.50	0.87	4.32	4.32
1105	6.10	0.75	1.31	7.98	12.30
1628	5.23	1.25	2.18	11.41	23.71
1877	2.49	1.00	1.75	4.35	28.06
2253	3.76	1.50	2.62	9.84	37.90
2502	2.49	2.50	4.36	10.86	48.76
2753	2.51	2.50	4.36	10.95	59.71
3210	4.57	1.75	3.05	13.96	73.67
3742	5.32	1.50	2.62	13.93	87.59
4717	9.75	1.50	2.62	25.52	113.12
4863	1.46	1.25	2.18	3.18	116.30
5352	4.89	1.00	1.75	8.53	124.84
5790	4.38	1.00	1.75	7.64	132.48
5950	1.60	1.00	1.75	2.79	135.27

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 RUSTY ROSE - CONTRACT MANAGER	TELEPHONE NUMBER (806) 894-7386