INCLINATION REPORT

| OPERATOR | Maralo Incorporated | ADDRESS PO Box 832 | , Midland, Texas 79701 |
|---|-------------------------|-----------------------|-----------------------------|
| LEASE NAME | Jalmat Yates | WELL NO. <u>19</u> F1 | ELD |
| LOCATION Section 18, T-25S, R-37E, Lea County, New Mexico | | | |
| DEPTH | ANGLE INCLINATION DE | GREES DISPLACEMENT | DISPLACEMENT ACCUMULATED |
| 406 | 1/4 | 1.7864 | 1.7864 |
| 800 | 1/2 | 3,4278 | 5.2142 |
| 1313 | 3/4 | 6.7203 | 11.9345 |
| 1989 | 1 1/4 | 14.7368 | 26.6713 |
| 2487 | 1 1/2 | 13.0476 | 39,7189 |
| 3042 | 1 3/4 | 16.9275 | 56.6464 |
| 3328 | 2 | 9.9814 | 66.6278 |
| 3480 | 2 | 5.3048 | 71,9326 |
| 3540 | 2 1/4 | 2.3580 | 74.2906 |

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

TITLE John Ayers, Office Manager

AFFIDAVIT:

John Ayers, Office Manager Before me, the undersigned authority, appeared____ 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.

AFFIANT'S SIGNATURE

Sworn and subscribed to in my presence on this the 9th day of October **19** 79

MY COMMISSION EXPIRES MARCH 1, 1980

Notary Public in and for the County of Lea, State of New Mexico

SEAL

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