

INCLINATION REPORT

OPERATOR Tahoe Oil & Cattle Co. ADDRESS 4402 W. Industrial, Midland, TX 79703
 LEASE NAME Hale State WELL NO. #4 FIELD North Justis McKee
 LOCATION 2160' FNL & 430' FEL of Section 2, T-25-S, R37-E, Lea County, New Mexico

| DEPTH | ANGLE INCLINATION DEGREES | DISPLACEMENT | DISPLACEMENT ACCUMULATED |
|-------|------------------------------|--------------|-----------------------------|
| 272' | 0 | 0 | 0 |
| 855' | 2 | 20.35 | 20.35 |
| 978' | 2-1/4 | 4.83 | 25.18 |
| 1134' | 2-1/2 | 6.80 | 31.98 |
| 1320' | 2 | 6.49 | 38.47 |
| 1539' | 1-1/2 | 5.74 | 44.21 |
| 1744' | 1-1/4 | 4.47 | 48.68 |
| 2362' | 1-1/2 | 16.19 | 64.87 |
| 2795' | 1 | 7.58 | 72.45 |
| 3292' | 1 | 8.70 | 81.15 |
| 3415' | 1/2 | 1.07 | 82.22 |
| 3850' | 1/2 | 3.78 | 86.00 |
| 4307' | 4-1/4 | 33.86 | 119.86 |
| 4379' | 4-3/4 | 5.96 | 125.82 |
| 4597' | 3-1/4 | 12.36 | 138.18 |
| 4783' | 2-3/4 | 8.93 | 147.11 |
| 5033' | 2-1/4 | 9.83 | 156.94 |
| 5284' | 2-1/4 | 9.86 | 166.80 |
| 5440' | 1-3/4 | 4.76 | 171.56 |
| 5700' | 1-3/4 | 7.93 | 179.49 |
| 5902' | 2 | 7.05 | 186.54 |
| 6180' | 2-1/4 | 10.93 | 197.47 |
| 6422' | 2-1/2 | 10.55 | 208.02 |
| 6526' | 2-1/4 | 4.09 | 212.11 |
| 6761' | 1/2 | 6.16 | 218.27 |
| 6768' | 1 | .12 | 218.39 |
| 6771' | 1 | .05 | 218.44 |
| 6860' | 1 | 1.56 | 220.00 |
| 7395' | 4 | 37.34 | 257.34 |
| 7444' | 4-1/4 | 3.63 | 260.97 |
| 7580' | 4 | 9.49 | 270.46 |
| 7674' | 4 | 6.56 | 277.02 |
| 7726' | 3-3/4 | 3.40 | 280.42 |
| 7828' | 0 | 0 | 280.42 |
| 7829' | 5-1/2 | .10 | 280.52 |
| 7952' | 6 | 12.85 | 293.37 |
| 8013' | 6 | 6.37 | 299.74 |
| 8167' | 4-3/4 | 12.75 | 312.49 |
| 8445' | 6 | 29.05 | 341.54 |

I hereby certify that the above data as set forth is true and correct to the best of my knowledge and belief.

Jeanie Johnson
 Title Production Secretary

AFFIDAVIT: :

Before me, the undersigned authority, appeared Jeanie Johnson, 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.

Jeanie Johnson
 Affiant's Signature

Sworn and subscribed to in my presence on this the 29th day of March, 1982.



Connie R. Claborn
 Notary Public in and for the County
 of Midland, State of Texas.