

# L & M DRILLING, INC.

**OIL WELL DRILLING CONTRACTORS****PO BOX 1370****ARTESIA, NEW MEXICO 88211-1370****(505) 746-4405 746-3518 748-2205**

November 11, 1997

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210

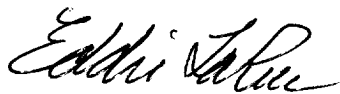
RE: Jasper ARJ Federal #1  
660' FSL & 1750' FEL  
Sec. 25, T8S, R26E  
Chaves County, New Mexico

Gentlemen:

The following is a Deviation Survey for the above captioned well.

| DEPTH | DEVIATION |
|-------|-----------|
| 506'  | 1/4       |
| 814'  | 1/4       |
| 895'  | 1/4       |
| 1370' | 1/2       |
| 1895' | 1/2       |
| 2393' | 1/2       |
| 2880' | 3/4       |
| 3317' | 1         |
| 3978' | 1         |
| 4485' | 1 1/4     |
| 4990' | 1 1/4     |
| 5424' | 2 1/4     |
| 5917' | 1 1/4     |
| 6234' | 3/4       |
| 6693' | 1         |

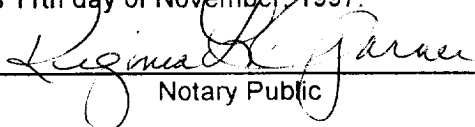
Very truly yours,



Eddie C. LaRue  
Vice President

STATE OF NEW MEXICO  
COUNTY OF EDDY

The foregoing was acknowledged before me  
this 11th day of November, 1997.



Notary Public

