



Patterson Drilling Company

410 N. Loraine Street — (915) 682-9401
Midland, Texas 79701



July 15, 1999

Yates Petroleum Corporation
105 S 4th St
Artesia, NM 88210

RE: Inclination Report
South Avalon ASZ State Com #1
Sec 14; T-21-S; R-26-E

Gentlemen:

The following is an inclination survey on the above referenced well located in Eddy County, New Mexico:

372' - 0.75	2178' - 0.50	6885' - 1.00
621' - 1.00	2325' - 0.25	7368' - 1.75
962' - 1.00	2825' - 0.50	7832' - 1.00
1308' - 2.75	3295' - 1.00	8325' - 1.00
1402' - 2.75	3769' - 1.50	8822' - 0.75
1496' - 2.50	4265' - 1.00	9310' - 0.50
1592' - 2.25	4747' - 1.25	9651' - 1.00
1687' - 2.75	5235' - 1.25	10151' - 0.50
1782' - 2.00	5725' - 1.50	10626' - 0.75
1876' - 1.75	6224' - 1.25	11200' - 0.50
2003' - 0.75	6721' - 0.50	

Sincerely,

Rebecca Edwards

Rebecca A. Edwards
Administrative Assistant

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

The foregoing was acknowledged before me this 15th day of July, 1999 by Rebecca A. Edwards.

MY COMMISSION EXPIRES:

Treva Forrester

NOTARY PUBLIC

