May 11, 1981

Oil Conservation Division 1000 Rio Brazos Road Aztec, New Mexico 87410

Gentlemen:

The following is the deviation record for Southland Royalty Company's Hanks #12-E well located in Section 7, T27N, R9W, San Juan County, New Mexico.

Depth	Deviation	Depth	Deviation
229'	3/4°	4002	1/4°
1223'	3/4°	4582'	3/4°
1381'	1-1/4°	5082 '	1°
1877'	1-1/4°	5171 '	3/4°
2377'	1-1/4°	5676 '	l°
2872'	1-1/2°	6170'	3/4°
3089'	1-1/2°	6672'	1°
3555'	1°	7058 '	3-1/2°

Sincerely,

SOUTHLAND ROYALTY COMPANY

L. O. Van Ryan

District Production Manager

LOVR/eg

STATE OF NEW MEXICO County of San Juan

The foregoing instrument was acknowledged before me this 11th day of May, 1981, by L. O. Van Ryan of Southland Royalty Company on behalf of said Company

NOTARY BOND FILED WITH SECRETARY OF STATE

My Commission Expires: 4-27-85

Notary Public - NM

P.O. DRAWER 570 (505) 325-1841 FARMINGTON, NEW MEXICO 87401