

# L & M DRILLING, INC.

OIL WELL DRILLING CONTRACTORS

PO BOX 1370 ARTESIA, NEW MEXICO 88211-1370  
(505) 746-4405 746-3518 748-2205

January 24, 2001

Marbob Energy Corporation  
PO Drawer 227  
Artesia, NM 88211-0227

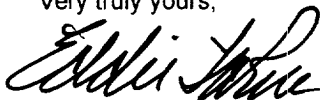
RE: D State #5  
990' FSL & 990' FWL  
Sec. 26, T17S, R28E  
Eddy County, New Mexico

Gentlemen:

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

| DEPTH | DEVIATION | DEPTH | DEVIATION |
|-------|-----------|-------|-----------|
| 250'  | 1/4°      | 2492' | 1/4°      |
| 505'  | 1°        | 2991' | 1°        |
| 997'  | 3/4°      | 3488' | 3/4°      |
| 1496' | 1/2°      | 3989' | 3/4°      |
| 1996' | 3/4°      | 4212' | 1 1/2°    |

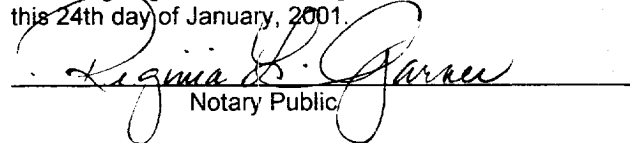
Very truly yours,



Eddie C. LaRue  
Vice President

STATE OF NEW MEXICO }  
COUNTY OF EDDY }

The foregoing was acknowledged before me  
this 24th day of January, 2001.

  
Notary Public