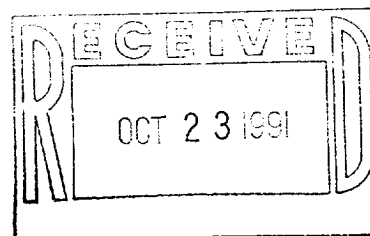


# L & M DRILLING, INC. — Oil Well Drilling Contractors

P. O. BOX 470 / ARTESIA, NEW MEXICO 88210

October 21, 1991

Siete Oil & Gas Corporation  
PO Box 2523  
Roswell, NM 88202



Re: Arco Federal #3  
1980' FNL & 660' FEL  
Sec. 23, T18S, R31E  
Eddy County, New Mexico

Gentlemen:

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

DEPTH	DEVIATION
380'	3/4°
894'	1°
1391'	1 3/4°
1700'	1/2°
2197'	2°
2445'	1 1/2°
2944'	1 3/4°
3410'	1 1/2°
3911'	1 1/4°
4500'	3/4°

Very truly yours,

C. E. LaRue  
Vice President

STATE OF NEW MEXICO §  
COUNTY OF EDDY §

The foregoing was acknowledged before me this 21st day of October, 1991.

REGINA L. GARNER  
NOTARY PUBLIC

