



KEN REYNOLDS-PRESIDENT  
GARY W. CHAPPELL-VICE PRESIDENT

**DRILLING CO., INC. - OIL WELL DRILLING CONTRACTORS**

P. O. Box 1498 ROSWELL, NEW MEXICO 88202-1498  
505/623-5070 505/746-2719  
ROSWELL, NM ARTESIA, NM

November 9, 1998

Stevens & Tull, Inc.  
P.O. Box 11005  
Midland, Texas 79702

RE: Little Box State #3

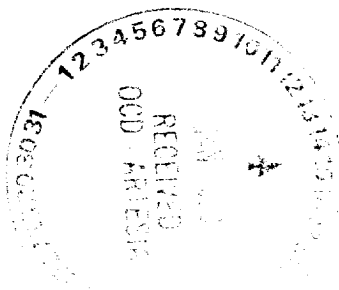
Gentlemen:

The following is a Deviation Survey on the above referenced well located in Eddy County, New Mexico.

400' - 3/4°	2,403' - 1 1/4°	4,769' - 1/2°	7,227' - 1 1/2°
700' - 1°	2,908' - 3/4°	5,243' - 1°	7,699' - 1 3/4°
1,025' - 3/4°	3,383' - 1/2°	5,716' - 1 1/4°	8,150' - 3 1/4°
1,440' - 1°	3,877' - 1°	6,218' - 1°	
1,908' - 1°	4,342' - 0°	6,722' - 1 1/4°	

Sincerely,

  
Gary W. Chappell  
Contracts Manager

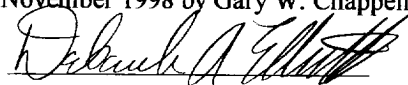


STATE OF NEW MEXICO)  
COUNTY OF CHAVES )

The foregoing was acknowledged before me this 9th day of November 1998 by Gary W. Chappell,

MY COMMISSION EXPIRES

JUNE 20, 2000



NOTARY PUBLIC