

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

October 30, 1996

Read & Stevens, Inc.
P.O. Box 1518
Roswell, New Mexico 88202-1518

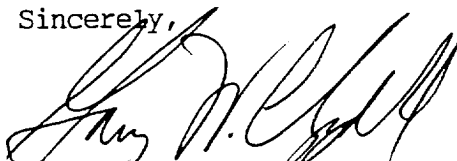
RE: Nix Federal #1

Gentlemen:

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

457' - 3/4°	1427' - 4 1/4°	1643' - 4 3/4°	1891' - 3 3/4°
600' - 1/4°	1490' - 4 1/2°	1705' - 4 1/2°	1961' - 3 3/4°
1085' - 3/4°	1549' - 4 3/4°	1768' - 4°	2053' - 3 3/4°
1333' - 2 1/2°	1612' - 4 3/4°	1830' - 4°	2177' - 4°
2298' - 3 3/4°	2485' - 3°	2698' - 3°	2900' - 1 3/4°

Sincerely,



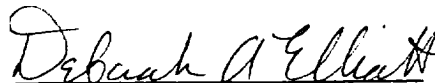
Gary W. Chappell
Contracts Manager

STATE OF NEW MEXICO)
)
COUNTY OF CHAVES)

The foregoing was acknowledged before me this 30th day of October 1996 by Gary W. Chappell.

MY COMMISSION EXPIRES

JUNE 20, 2000



NOTARY PUBLIC