

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

April 6, 1998

Faskin Oil and Ranch, Ltd.
303 W. Wall Ave, Suite 1900
Midland, Texas 79701-5116

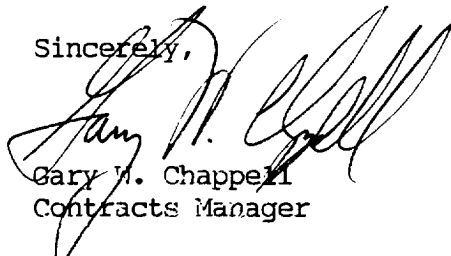
RE: Skelly Federal #3

Gentlemen:

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

349' - 3/4°	2,462' - 1°	5,193' - 2 1/4°	6,200' - 2°	7,635' - 2 1/4°
536' - 1/2°	2,963' - 1 1/2°	5,320' - 2 1/2°	6,357' - 2°	8,166' - 1 1/2°
781' - 1/2°	3,447' - 1°	5,445' - 2 1/2°	6,607' - 2 3/4°	8,464' - 1 1/4°
1,012' - 3/4°	3,947' - 1°	5,571' - 2 1/2°	6,868' - 2 1/4°	8,717' - 1°
1,251' - 1/2°	4,445' - 1 1/4°	5,698' - 2 1/4°	7,012' - 2 3/4°	9,201' - 1 3/4°
1,501' - 3/4°	4,942' - 2 1/4°	5,824' - 2 3/4°	7,136' - 2 1/2°	9,700' - 2 1/4°
2,000' - 1°	5,068' - 2 1/4°	5,949' - 1 3/4°	7,260' - 2 3/4°	9,797' - 1 3/4°
			7,385' - 2 1/2°	9,934' - 1 1/4°
				10,100' - 1 1/2°

Sincerely,



Gary W. Chappell
Contracts Manager

STATE OF NEW MEXICO)

COUNTY OF CHAVES)

The foregoing was acknowledged before me this 6th day of April 1998 by Gary W. Chappell.

MY COMMISSION EXPIRES

JUNE 20, 2000



NOTARY PUBLIC