



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

March 30, 1999

Santa Fe energy Resources, Inc.  
550 W. Texas, Suite 1330  
Midland, Texas 79701


RE: Nagooltee Peak "5" Federal #5

Gentlemen:

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

481' - 3/4°	2,392' - 3/4°	4,823' - 1 1/4°	7,505' - 1 1/2°
982' - 1°	2,856' - 1/4°	5,336' - 1 3/4°	8,011' - 2°
1,476' - 1 1/2°	3,341' - 1/2°	6,282' - 2 1/2°	8,524' - 2 1/4°
1,615' - 1°	3,823' - 3/4°	6,746' - 1 1/4°	
1,929' - 1/2°	4,328' - 1°	7,219' - 1°	

Sincerely,

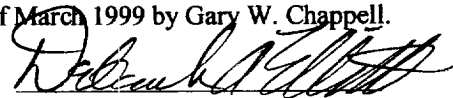
  
Gary W. Chappell  
Contracts Manager

STATE OF NEW MEXICO)  
COUNTY OF CHAVES )

The foregoing was acknowledged before me this 30<sup>th</sup> day of March, 1999 by Gary W. Chappell.

MY COMMISSION EXPIRES

JUNE 20, 2000



NOTARY PUBLIC