

L & M DRILLING, INC.

OIL WELL DRILLING CONTRACTORS
PO BOX 1370 ARTESIA, NEW MEXICO 88211-1370
(505) 746-4405 746-3518 748-2205

DEC 18 1996

December 17, 1996

MYCO Industries, Inc.
PO Box 840
Artesia, NM 88211-0840

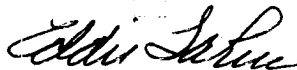
RE: West Loving Unit #03
1500' FNL & 2100' FWL
Sec. 23, T23S, R27E
Eddy County, New Mexico

Gentlemen:

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

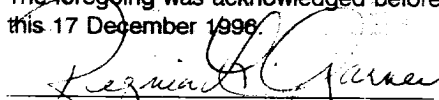
DEPTH	DEVIATION
390'	3/4°
866'	1 1/4°
1357'	1 1/4°
1859'	6°
1983'	6°
2076'	6°
2169'	5 1/2°
2230'	4 1/4°
2311'	2 3/4°
2403'	2 3/4°
2496'	2°
2660'	1 1/4°
2814'	1 1/4°
2964'	1°
3121'	1°
3560'	3/4°

Very truly yours,


Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 17 December 1996


Regina L. Garner
Notary Public



SERVING SOUTHEAST NEW MEXICO AND WEST TEXAS SINCE 1978