

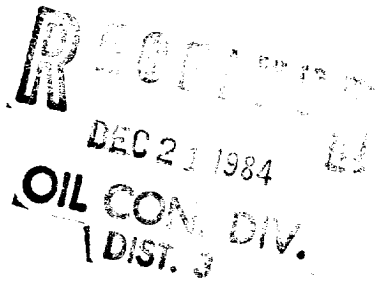
FOUR CORNERS DRILLING CO.

P.O. BOX 1067
657 WILD HORSE DRIVE
FARMINGTON, NEW MEXICO 87499

TELEPHONE: (505) 327-1122

December 12, 1984

Lobo Production Corp.
P.O. Box 2364
Farmington, New Mexico 87499



Gentlemen:

The Four Corners Drilling Company drilled the Scorpio #1 well for Lobo Production.

Deviation surveys are as follows:

90'	1°	2301'	3 1/2°
235'	1°	2395'	3 3/4°
471'	4°	2441'	4°
510'	4 1/4°	2559'	3°
540'	5°	2652'	2 1/4°
587'	4 1/2°	2735'	3 1/2°
617'	4°	2836'	3 1/4°
675'	3°	3003'	3°
739'	3°	3128'	3°
801'	2 1/2°	3267'	3 1/2°
895'	2 1/2°	3398'	3 3/4°
982'	2 3/4°	3488'	3 3/4°
1086'	2 3/4°	3581'	4 1/4°
1216'	3 1/4°	3670'	4 1/2°
1311'	3°	3779'	4 3/4°
1408'	3°	3906'	4 3/4°
1501'	3°	4031'	5°
1628'	3°	4165'	5 3/4°
1749'	4 1/4°	4263'	5 3/4°
1829'	4 1/4°	4357'	6°
1937'	4°	4393'	6 1/2°
2040'	4°	4480'	6°
2185'	3 3/4°	4625'	6 1/4°

Sincerely,

W. E. Lang
W.E. Lang
V. President

WEL/ak

Michael L. Gole/B
Jan 31, 1985