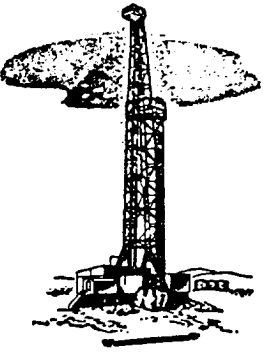


Telephone (505) 746-4405
FAX (505) 748-2205

L & M DRILLING, INC. — Oil Well Drilling Contractors

P.O. BOX 470 / ARTESIA, NEW MEXICO 88210



November 18, 1994

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

RE: Crandall UD #2
510' FNL & 1980' FEL
Sec. 6, T7S, R26E
Chaves County, NM

Gentlemen:

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

DEPTH	DEVIATION
483'	2°
932'	1/2°
1401'	3/4°
1962'	1 1/4°
2431'	1°
2932'	1/4°
3462'	1 1/4°
3958'	3/4°
4200'	3/4°

Very truly yours,

A handwritten signature in cursive script, appearing to read "Eddie C. LaRue".

Eddie C. LaRue
Drilling Supt.

STATE OF NEW MEXICO §
COUNTY OF EDDY §

The foregoing was acknowledged before
me this 18th day of November, 1994.

A handwritten signature in cursive script, appearing to read "Regina L. Garner".

NOTARY PUBLIC