

L & M DRILLING, INC.

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

October 25, 1996

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

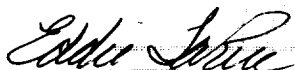
RE: Thorpe MI Fed Com #12
1980' FNL & 660' FWL
Sec. 10, T7S, R25E
Chaves County, New Mexico

Gentlemen:

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

DEPTH	DEVIATION
513'	1/4°
867'	1/4°
1400'	1°
1940'	1°
2447'	1°
2890'	1°
3550'	1°
4244'	1°

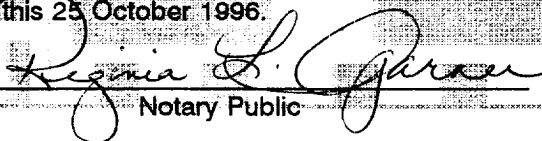
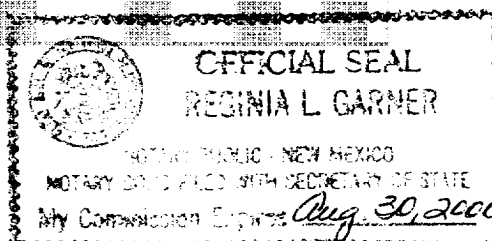
Very truly yours,



Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before
me this 25 October 1996.


Notary Public

SERVING SOUTHEAST NEW MEXICO AND WEST TEXAS SINCE 1978