

L & M DRILLING, INC.

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

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2834

October 14, 1996

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

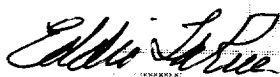
RE: Federal HJ #11
2080' FNL & 1650' FEL
Sec. 31, T6S, R26E
Chaves County, New Mexico

Gentlemen:

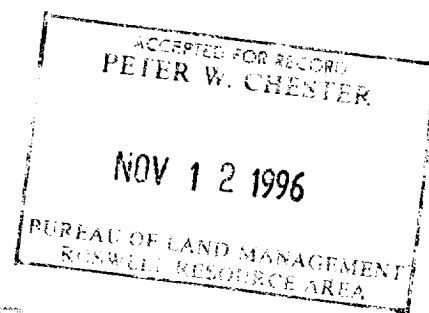
The following is a Deviation Survey for the above captioned well.

DEPTH	DEVIATION
447'	1 1/2°
1206'	1°
1860'	1 1/4°
2200'	1 1/4°
2671'	1 1/2°
3196'	1 1/2°
3682'	1 1/2°
4252'	1 1/2°

Very truly yours,

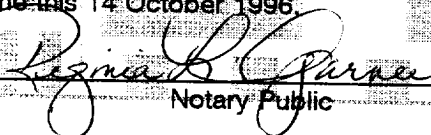


Eddie C. LaRue
Vice President

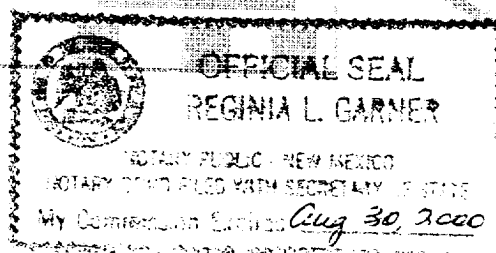


STATE OF NEW MEXICO
COUNTY OF EDDY

The foregoing was acknowledged before
me this 14 October 1996.



Regina L. Garner
Notary Public



SERVING SOUTHEAST NEW MEXICO AND WEST TEXAS SINCE 1978