

L & M DRILLING, INC.

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

September 30, 1996

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

RE: Skinney QO State #7
660' FSL & 990' FWL
Sec. 2, T6S, R25E
Chaves County, New Mexico

Gentlemen:

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

DEPTH	DEVIATION
532'	1/2°
916'	3/4°
1415'	1°
1902'	1 1/4°
2402'	1 1/2°
2865'	1 1/4°
3129'	1°
3611'	3/4°
4204'	1°

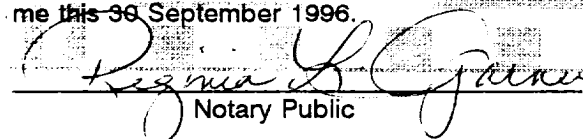
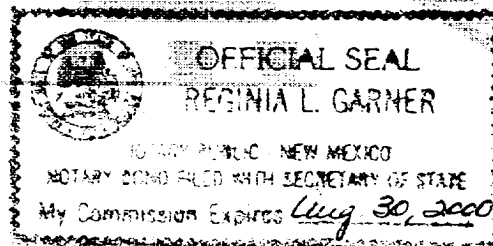
Very truly yours,



Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before
me this 30 September 1996.


Notary Public

SERVING SOUTHEAST NEW MEXICO AND WEST TEXAS SINCE 1978