

L & M DRILLING, INC.

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

July 31, 1997

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

RE: Davis #4
1880' FNL & 1980' FWL
Sec. 12, T7S, R25E
Chaves County, New Mexico

Gentlemen:

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

DEPTH	DEVIATION
493'	1/4
993'	1/2
1640'	1/2
2140'	1/2
2617'	1/2
3118'	3/4
3891'	1
4144'	1

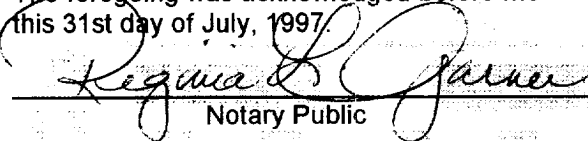
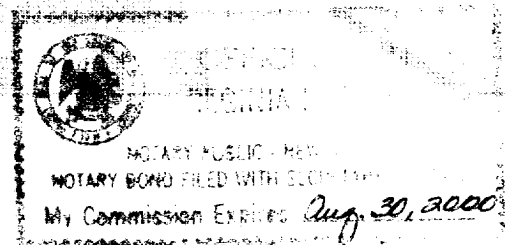
Very truly yours,



Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 31st day of July, 1997.


Notary Public

SERVING SOUTHEAST NEW MEXICO AND WEST TEXAS SINCE 1978