

L & M DRILLING, INC.

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

July 7, 1997

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

RE: Federal HJ #12
1980' FSL & 660' FWL
Sec. 31, T6S, R26E
Chaves County, New Mexico

Gentlemen:

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

DEPTH	DEVIATION
531'	1/4
1050'	1/4
1548'	1/4
2046'	1/4
2540'	1/2
3038'	1/2
3603'	1/2
4054'	1
4140'	1

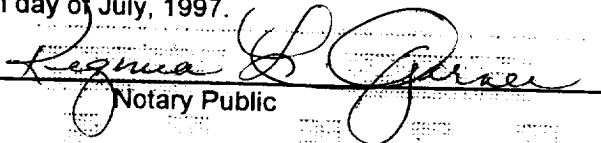
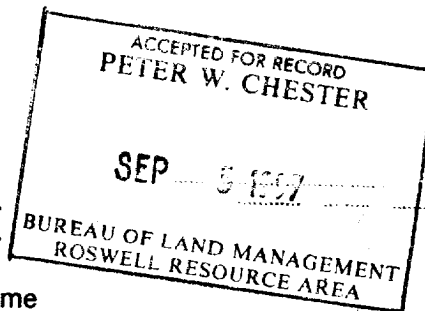
Very truly yours,



Eddie C. LaRue
Vice President

STATE OF NEW MEXICO
COUNTY OF EDDY

The foregoing was acknowledged before me
this 7th day of July, 1997.


Notary Public

RECEIVED

AUG 25 '97

F. L. L. NM



SERVING SOUTHEAST NEW MEXICO AND WEST TEXAS SINCE 1978