

L & M DRILLING, INC.

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

July 22, 1997

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

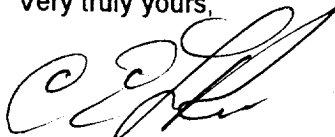
RE: Thorpe MI Federal #16
660' FNL & 1980' FWL
Sec. 3, T7S, R25E
Chaves County, New Mexico

Gentlemen:

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

DEPTH	DEVIATION
460'	1/4
914'	1/4
1409'	1/4
2047'	1/2
2543'	1/2
3036'	3/4
3531'	3/4
4060'	3/4

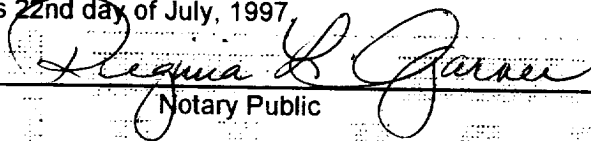
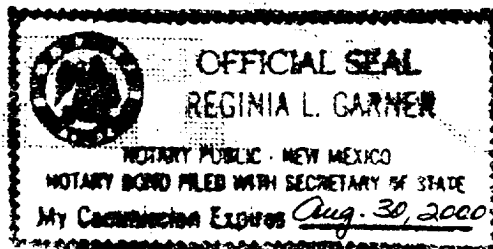
Very truly yours,



C. E. LaRue
President

STATE OF NEW MEXICO
COUNTY OF EDDY

The foregoing was acknowledged before me
this 22nd day of July, 1997.


Notary Public

RECEIVED
1997 AUG 19 P 10:41
BUREAU OF LAND MGMT.
ROSWEEL OFFICE

SERVING SOUTHEAST NEW MEXICO AND WEST TEXAS SINCE 1978