

L & M DRILLING, INC.

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

February 13, 1998

Yates Petroleum Corporation
105 South Fourth
Artesia, NM 88210

MAR 1998
RECEIVED
DCD - ARTESIA

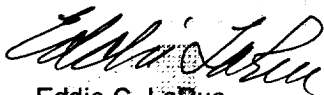
RE: Unforgiven ARZ State #1
2350' FSL & 1800' FWL
Sec. 11, T12S, R27E
Chaves County, New Mexico

Gentlemen:

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

DEPTH	DEVIATION	DEPTH	DEVIATION
261'	1/4	4372'	3/4
758'	1/2	4834'	1/4
951'	1/2	5392'	1/2
1470'	1/2	5832'	1
1525'	1	6289'	3/4
2015'	1 1/4	6790'	1
2513'	3/4	7152'	1 1/4
3007'	3/4	7475'	1
3500'	3/4	7800'	1 1/4
3884'	1/2		

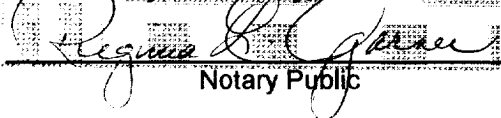
Very truly yours,



Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 13th day of February, 1998.


Notary Public