

L & M DRILLING, INC.

OIL WELL DRILLING CONTRACTORS

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

July 26, 2000

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88219

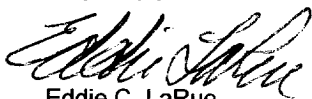
RE: Coronet TI #2
1980' FNL & 1000' FEL
Sec. 3, T8S, R26E
Chaves County, New Mexico

Gentlemen:

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

DEPTH	DEVIATION	DEPTH	DEVIATION
318'	1 3/4°	2535'	1 3/4°
712'	1 3/4°	2658'	1 3/4°
1008'	1 3/4°	2852'	1 1/4°
1360'	2°	3260'	2°
1233'	2°	3406'	1 3/4°
1485'	1 1/4°	3787'	1 1/4°
1608'	1°	4256'	1 1/2°
1885'	1°	4451'	1 3/4°
2174'	1°	4760'	1 1/2°


Very truly yours,



Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 26th day of July, 2000.


Regina L. Garza
Notary Public