

L & M DRILLING, INC.

OIL WELL DRILLING CONTRACTORS

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

September 28, 2000

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88219

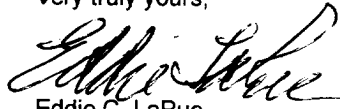
RE: Avenue AVU State #1
1500' FSL & 660' FEL
Sec. 21, T9S, R26E
Chaves County, New Mexico

Gentlemen:

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

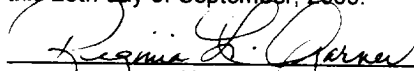
DEPTH	DEVIATION	DEPTH	DEVIATION
530'	2°	2740'	2°
1032'	2 1/2°	3016'	1 1/2°
1106'	2 1/2°	3296'	2°
1182'	2°	3554'	1 3/4°
1409'	1 1/4°	4039'	2°
1555'	1 1/4°	4532'	3°
1866'	2°	4760'	1 3/4°
1989'	1 3/4°	5496'	1 3/4°
2280'	2°	5970'	2 1/2°
2499'	2°	6187'	2 1/4°

Very truly yours,


Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 28th day of September, 2000.


Regina L. Garner
Notary Public

