

L & M DRILLING, INC.

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

June 19, 2001

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88219

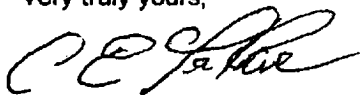
RE: Program AXP State #1
660' FSL & 1980' FEL
Sec. 5, T10S, R26E
Chaves County, New Mexico

Gentlemen:

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

DEPTH	DEVIATION	DEPTH	DEVIATION
390'	1/4°	4643'	2 1/2°
809'	1/2°	4726'	3°
1106'	3/4°	4889'	3°
1511'	1°	4943'	3 3/4°
1947'	1 3/4°	5014'	3 1/4°
2247'	2°	5107'	3 3/4°
2688'	3/4°	5202'	3 1/4°
3080'	1 1/2°	5326'	3 1/4°
3588'	1°	5546'	3°
4055'	1 1/2°	5790'	2 1/2°
4549'	2 1/4°	6100'	2 1/2°

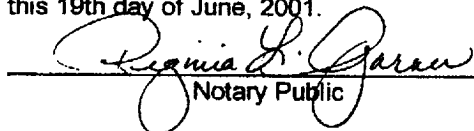
Very truly yours,



C. E. LaRue
President

STATE OF NEW MEXICO
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 19th day of June, 2001.


Notary Public
