

# L & M DRILLING, INC.

OIL WELL DRILLING CONTRACTORS

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

August 26, 2003

Mack Energy Corporation  
PO Drawer 960  
Artesia, NM 88211-0960

RE: Panther Federal #3  
1650' FSL & 1650' FWL  
Sec. 31, T17S, R32E  
Lea County, New Mexico


Unit K  
30-025-36324

Gentlemen:

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

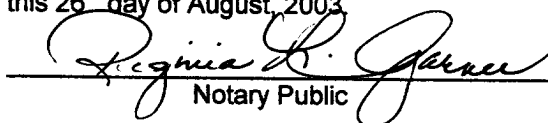
DEPTH	DEVIATION	DEPTH	DEVIATION	DEPTH	DEVIATION
255'	1/4°	1471'	2°	3359'	2 1/2°
493'	1 3/4°	1780'	1 1/2°	3454'	1 3/4°
608'	2°	2115'	3/4°	3686'	2 1/2°
672'	2 1/2°	2180'	2°	3963'	3°
735'	3 1/2°	2336'	1°	4210'	3 1/2°
794'	4°	2533'	1°	4334'	3°
885'	4°	2741'	1 1/4°	4520'	3 1/2°
1005'	3°	2897'	1 1/4°	4985'	4°
1105'	2 1/2°	3020'	1 1/4°	5021'	4°
1260'	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 26<sup>th</sup> day of August, 2003.

  
Notary Public



03-08-88

**SERVING SOUTHEAST NEW MEXICO AND WEST TEXAS SINCE 1978**

