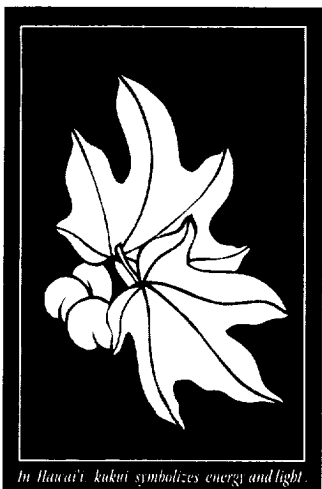


KUKUI Operating Company



July 13, 1999

Mr. Chris Williams
Oil Conservation Division – State of New Mexico
1000 W. Broadway
P. O. Box 1980
Hobbs, New Mexico 88240

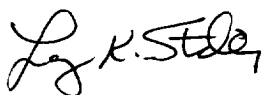
RE: Deviation Survey
 Estacado 27 State Well No. 3
 State Lease No. VA 998
 Lea County, New Mexico

Dear Mr. Williams:

The above referenced well was drilled by Rand Paulson Oil Company, Inc. in 1997. KUKUI, Inc. purchased this well and began operating in April 1999. Evidently no deviation survey was filed with the OCD by the drilling contractor or Rand. We were advised by Mr. Michael Stogner of the Santa Fe office to prepare a survey from drilling records and forward the report to you.

Please advise if you need additional information or clarification. We have included three copies for your files. Thank you for your help.

Sincerely,



Larry K. Strider
District Operations Manager

LKS:ny

Encl.

cc: Mr. John Wessels
 Well File