

L & M DRILLING, INC.

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

January 29, 1998

Shahara Oil Corporation
PO Box 3232
Carlsbad, NM 88220

RE: Phillips State #100
1330' FNL & 140' FWL
Sec. 16, T17S, R33E
Lea County, New Mexico

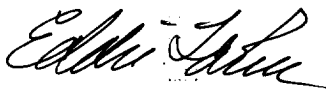
Unit E
30-025-34220

Gentlemen:

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

DEPTH	DEVIATION
521'	1/4
1036'	1/4
1562'	1/4
2052'	1/2
2542'	1/2
3037'	1
3540'	1
3822'	1
4348'	1 1/2
4765'	1 1/4
4950'	1 1/2

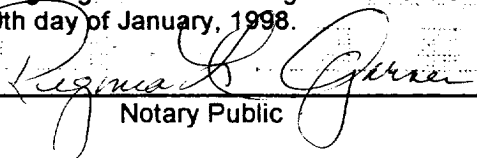
Very truly yours,



Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 29th day of January, 1998.


Notary Public