



KEN REYNOLDS-PRESIDENT
GARY W. CHAPPELL-VICE PRESIDENT

DRILLING CO., INC. - OIL WELL DRILLING CONTRACTORS

P. O. Box 1498 ROSWELL, NEW MEXICO 88202-1498
505/623-5070 505/746-2719
ROSWELL, NM ARTESIA, NM

February 5, 1998

Manzano Oil Corporation
P.O. Box 2107
Roswell, NM 88202-2107

RE: State "3" #1

Unit G

12-lbs-36e

2144/W @ 2087/E

30-025-34238

Gentlemen:

The following is a Deviation Survey on the above referenced well located in Lea County, New Mexico.

400' - 3/4°	2,524' - 1°	4,869' - 1/2°	7,516' - 1°	9,751' - 1 1/2°
865' - 3/4°	3,011' - 1°	5,368' - 3/4°	7,954' - 1°	10,249' - 1 1/2°
1,361' - 1/4°	3,490' - 1 1/4°	5,868' - 1°	8,440' - 1°	10,617' - 1°
1,833' - 1/2°	3,966' - 1 1/4°	6,367' - 1°	8,942' - 1 1/2°	11,085' - 1 3/4°
2,032' - 1/2°	4,371' - 1°	6,864' - 1/4°	9,270' - 1 1/4°	11,518' - 2°
				11,700' - 2°

Sincerely,

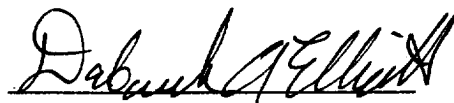

Gary W. Chappell
Contracts Manager

STATE OF NEW MEXICO)
COUNTY OF CHAVES)

The foregoing was acknowledged before me this 5th day of February 1998 by Gary W. Chappell.

MY COMMISSION EXPIRES

JUNE 20, 2000



NOTARY PUBLIC

DISCOVER
IN
101 FEB 23 20 19

MANZARD OIL CORPORATION