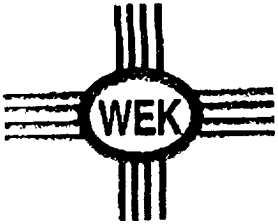


KEN REYNOLDS-PRESIDENT
GARY W. CHAPPELL-VICE PRESIDENT



DRILLING CO., INC. - OIL WELL DRILLING CONTRACTORS

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

June 20, 1996

Ray Westall Operating, Inc.
P.O. Box 4
Loco Hills, NM 88255

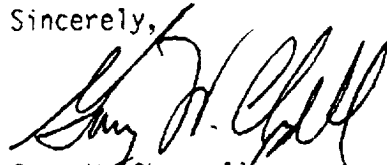
RE: Paladin #4

Gentlemen:

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

500' - 1°	2418' - 1 3/4°	4185' - 1 1/2°	6078' - 1 1/4°
960' - 1 1/4°	2939' - 2°	4681' - 1 3/4°	6550' - 1 1/2°
1429' - 1°	3450' - 1 3/4°	5142' - 1 1/2°	7103' - 1 1/4°
1931' - 1°	3938' - 2°	5633' - 1/12°	7602' - 1°
			7850' - 2°

Sincerely,



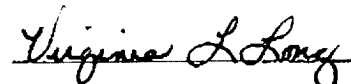
Gary W. Chappell
Contracts Manager

STATE OF NEW MEXICO)
COUNTY OF CHAVES)

The foregoing was acknowledged before me this 20th day of June 1996 by
Gary W. Chappell.

MY COMMISSION EXPIRES

June 19, 1999



NOTARY PUBLIC