



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

July 10, 1997

Read & Stevens, Inc.
P.O. Box 1518
Roswell, New Mexico 88202-1518

RE: Quail Federal #5

Gentlemen:

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

| | | | | |
|----------------|----------------|----------------|--------------|----------------|
| 480' - 1/4° | 2061' - 1° | 3824' - 1° | 5472' - 3/4° | 7442' - 3/4° |
| 949' - 1/2° | 2542' - 3/4° | 4321' - 1 1/4° | 5945' - 1° | 7911' - 1/4° |
| 1268' - 1/2° | 3042' - 1 1/2° | 4492' - 1° | 6476' - 3/4° | 8350' - 1 1/4° |
| 1585' - 1 1/4° | 3324' - 2 1/4° | 5000' - 1° | 6976' - 1° | |

Sincerely,

Gary W. Chappell
Contracts Manager

STATE OF NEW MEXICO)
COUNTY OF CHAVES)

The foregoing was acknowledged before me this 10th day of July 1997 by Gary W. Chappell.

MY COMMISSION EXPIRES

JUNE 20, 2000

NOTARY PUBLIC