

30-05-33627

HALLIBURTON

Gruy Petroleum Management

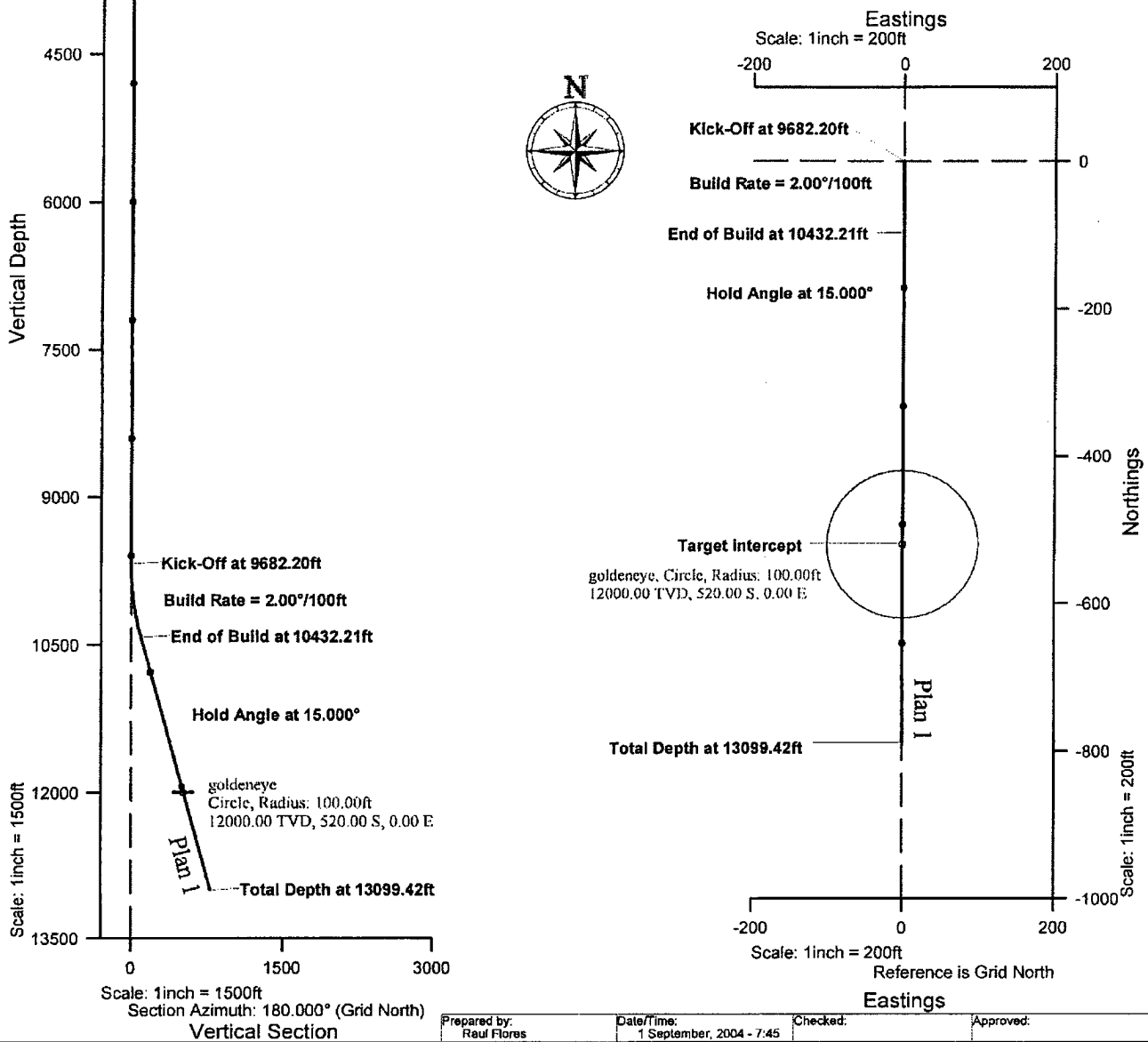
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Sperry-Sun

New Mexico
Eddy County
Sec 26 T25 R26
Goldeneye 26 Fed Com #2
Plan 1

Plan 1 Proposal Data

Coordinate System : NAD27 New Mexico State Planes, Eastern Zone							
	Measured Depth	Incl.	Azim.	Vertical Depth	Northings	Eastings	Dogleg Rate
Kick-Off Point	0.00	0.000	0.000	0.00	0.00 N	0.00 E	0.00
Hold Angle	9682.21	15.000	180.000	9682.20	0.00 N	0.00 E	0.00
Target intercept	12064.15	15.000	180.000	10423.67	97.62 S	0.00 E	2.00
Total Depth	13099.42	15.000	180.000	12000.00	520.00 S	0.00 E	0.00
				13000.00	787.95 S	0.00 E	0.00





**Gruy Petroleum Management
New Mexico
Eddy County
Sec 26 T25 R26
Goldeneye 26 Fed Com #2 - Plan 1**

Sperry-Sun

Proposal Report

1 September, 2004

Proposal Ref: pro8501

HALLIBURTON

Proposal Report for Sec 26 T25 R26 - Goldeneye 26 Fed Com #2 -
Plan 1

Measured Depth (ft)	Incl. (Deg)	Grid Azim. (Deg)	Station TVD (ft)	Coordinates Northings (ft)	Eastings (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Comment
0.00	0.000	0.000	0.00	0.00 N	0.00 E	0.00		
9682.20	0.000	0.000	9682.20	0.00 N	0.00 E	0.00	0.00	Kick-Off at 9682.20ft
9700.00	0.356	180.000	9700.00	0.06 S	0.00 E	0.06	2.00	
9800.00	2.356	180.000	9799.97	2.42 S	0.00 E	2.42	2.00	
9900.00	4.356	180.000	9899.79	8.28 S	0.00 E	8.28	2.00	
10000.00	6.356	180.000	9999.35	17.61 S	0.00 E	17.61	2.00	
10057.21	7.500	180.000	10056.14	24.51 S	0.00 E	24.51	2.00	Build Rate = 2.00°/100ft
10100.00	8.356	180.000	10098.52	30.41 S	0.00 E	30.41	2.00	
10200.00	10.356	180.000	10197.19	46.67 S	0.00 E	46.67	2.00	
10300.00	12.356	180.000	10295.22	66.36 S	0.00 E	66.36	2.00	
10400.00	14.356	180.000	10392.51	89.46 S	0.00 E	89.46	2.00	
10432.21	15.000	180.000	10423.67	97.62 S	0.00 E	97.62	2.00	End of Build at 10432.21ft
10500.00	15.000	180.000	10489.15	115.16 S	0.00 E	115.16	0.00	
10600.00	15.000	180.000	10585.74	141.05 S	0.00 E	141.05	0.00	
10700.00	15.000	180.000	10682.34	166.93 S	0.00 E	166.93	0.00	
10800.00	15.000	180.000	10778.93	192.81 S	0.00 E	192.81	0.00	
10900.00	15.000	180.000	10875.52	218.69 S	0.00 E	218.69	0.00	
11000.00	15.000	180.000	10972.11	244.57 S	0.00 E	244.57	0.00	
11100.00	15.000	180.000	11068.71	270.46 S	0.00 E	270.46	0.00	
11200.00	15.000	180.000	11165.30	296.34 S	0.00 E	296.34	0.00	
11248.18	15.000	180.000	11211.84	308.81 S	0.00 E	308.81	0.00	Hold Angle at 15.000°
11300.00	15.000	180.000	11261.89	322.22 S	0.00 E	322.22	0.00	
11400.00	15.000	180.000	11358.48	348.10 S	0.00 E	348.10	0.00	
11500.00	15.000	180.000	11455.08	373.99 S	0.00 E	373.99	0.00	
11600.00	15.000	180.000	11551.67	399.87 S	0.00 E	399.87	0.00	
11700.00	15.000	180.000	11648.26	425.75 S	0.00 E	425.75	0.00	
11800.00	15.000	180.000	11744.85	451.63 S	0.00 E	451.63	0.00	
11900.00	15.000	180.000	11841.45	477.52 S	0.00 E	477.52	0.00	
12000.00	15.000	180.000	11938.04	503.40 S	0.00 E	503.40	0.00	
12064.15	15.000	180.000	12000.00	520.00 S	0.00 E	520.00	0.00	Target - goldeneye, 100.00 Radius., Current Target
12100.00	15.000	180.000	12034.63	529.28 S	0.00 E	529.28	0.00	
12200.00	15.000	180.000	12131.22	555.16 S	0.00 E	555.16	0.00	
12300.00	15.000	180.000	12227.82	581.04 S	0.00 E	581.04	0.00	
12400.00	15.000	180.000	12324.41	606.93 S	0.00 E	606.93	0.00	
12500.00	15.000	180.000	12421.00	632.81 S	0.00 E	632.81	0.00	
12600.00	15.000	180.000	12517.59	658.69 S	0.00 E	658.69	0.00	
12700.00	15.000	180.000	12614.19	684.57 S	0.00 E	684.57	0.00	
12800.00	15.000	180.000	12710.78	710.46 S	0.00 E	710.46	0.00	
12900.00	15.000	180.000	12807.37	736.34 S	0.00 E	736.34	0.00	
13000.00	15.000	180.000	12903.96	762.22 S	0.00 E	762.22	0.00	
13099.42	15.000	180.000	13000.00	787.95 S	0.00 E	787.95	0.00	Total Depth at 13099.42ft

All data is in Feet (US) unless otherwise stated. Directions and coordinates are relative to Grid North.
Vertical depths are relative to Well. Northings and Eastings are relative to Well.

The Dogleg Severity is in Degrees per 100 feet.

**Proposal Report for Sec 26 T25 R26 - Goldeneye 26 Fed Com #2 -
Plan 1**

Vertical Section is from Well and calculated along an Azimuth of 180.000° (Grid).

Coordinate System is NAD27 New Mexico State Planes, Eastern Zone.
Grid Convergence at Surface is -0.822°.

Based upon Minimum Curvature type calculations, at a Measured Depth of 13099.42ft.,
The Bottom Hole Displacement is 787.95ft., in the Direction of 180.000° (Grid).

Comments

Measured Depth (ft)	Station Coordinates			Comment
	TVD (ft)	Northings (ft)	Eastings (ft)	
9682.20	9682.20	0.00 N	0.00 E	Kick-Off at 9682.20ft
10057.21	10056.14	24.51 S	0.00 E	Build Rate = 2.00"/100ft
10432.21	10423.67	97.62 S	0.00 E	End of Build at 10432.21ft
11248.18	11211.84	308.81 S	0.00 E	Hold Angle at 15.000°
13099.42	13000.00	787.95 S	0.00 E	Total Depth at 13099.42ft

Targets associated with this wellpath

Target Name	Target Entry Coordinates			Target Shape	Target Type
	TVD (ft)	Northings (ft)	Eastings (ft)		
goldeneye	12000.00	520.00 S	0.00 E	Circle	Current Target
Mean Sea Level/Map Coordinates:	12000.00	520.00 S	0.00 E		
Geographical Coordinates:		30° 59' 19.3665" N	105° 55' 44.0517" W		

Permit Comments

Operator: GRUY PETROLEUM MANAGEMENT CO. , 162683

Well: GOLDENEYE 26 FEDERAL COM #002

User Name	Comment	Comment Date
ZFARRIS	No abnormal pressures or temperatures or H2S gas are expected. Adequate flare lines will be installed off the mud / gas separator where gas may be flared safely. All personnel will be familiar with all aspects of safe operation of equipment being used. Estimated BHP 4000 PSI, estimated BHT 190 . A preliminary directional survey and C-144 will be sent under seperate cover.	9/10/2004
ZFARRIS	Surface casing per John Simitz at BLM	9/10/2004
VBARTON	APD cannot be approved until conditions of Rule 50 are satisfied.	9/10/2004