



PO Box 1370
Artesia, NM 88211-1370
(575) 748-1288

March 26, 2012

Regeneration Energy Corp.
PO Box 210
Artesia, NM 88211-0210

RE: Dump State 003H **30-015-39848**
1650' FSL & 330' FWL
Sec. 2, T21S, R28E
Eddy County, New Mexico

Dear Sir,

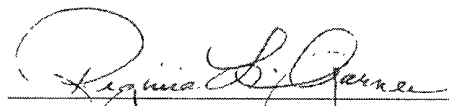
The attached is the Deviation Survey for the above captioned well.

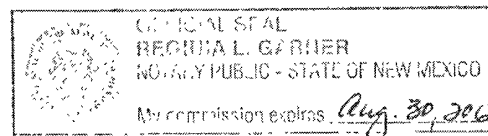
Very truly yours,


Eddie C. LaRue
Operations Manager

State of New Mexico }
County of Eddy }

The foregoing was acknowledged before me this 26th day of March, 2012.


Regina L. Garner
Notary Public



Dump State 003H

Date	Depth	Deviation	Inclination	TVD
2/24/2012	232	1.10		
2/24/2012	323	0.80		
2/26/2012	598	0.80		
2/26/2012	777	0.60		
2/26/2012	999	0.80		
2/27/2012	1222	0.60		
2/27/2012	1428	0.70		
2/28/2012	1587	0.70		
2/28/2012	1764	1.60		
3/1/2012	1840	1.50		
3/2/2012	1922	2.70		
3/2/2012	1956	1.60		
3/3/2012	1959	1.60	282.00	
3/3/2012	2010	1.10	18.70	
3/3/2012	2042	0.90	16.00	
3/4/2012	2677	1.60	346.10	
3/8/2012	3221	1.32	271.10	
3/8/2012	3380	1.32	272.30	
3/8/2012	3539	1.58	275.40	
3/9/2012	3616	1.76	283.58	
3/9/2012	3839	0.88	238.58	
3/9/2012	3932	1.06	230.67	
3/9/2012	4027	1.23	237.87	
3/9/2012	4218	0.97	237.17	
3/9/2012	4313	1.14	242.09	
3/9/2012	4409	0.97	251.58	
3/10/2012	4695	1.06	255.26	4654.14
3/10/2012	4790	1.23	258.35	4789.12
3/10/2012	4885	1.14	264.79	4884.16
3/10/2012	4980	1.14	267.58	4979.08
3/10/2012	5076	1.23	265.12	5675.06
3/10/2012	5171	1.23	267.05	5170.04
3/11/2012	5234	1.23	274.35	
3/11/2012	5298	1.41	82.75	
3/11/2012	5361	9.32	84.68	
3/11/2012	5393	13.45	84.50	
3/11/2012	5425	16.97	84.86	
3/11/2012	5453	20.58	85.56	
3/11/2012	5488	23.83	86.00	
3/12/2012	5520	37.61	86.97	5509.72
3/12/2012	5551	30.78	88.02	5536.78
3/12/2012	5583	33.77	88.99	5563.83
3/12/2012	5615	35.70	88.64	5590.13

Date	Depth	Deviation	Inclination	TVD
3/12/2012	5647	39.28	88.90	5615.73
3/12/2012	5678	42.47	89.43	5638.98
3/12/2012	5710	46.17	90.04	5661.00
3/12/2012	5742	53.64	91.10	5703.00
3/12/2012	5869	62.52	89.95	5753.46
3/12/2012	5901	65.86	89.60	
3/12/2012	5932	68.76	89.16	
3/13/2012	6028	76.68	89.07	5807.47
3/13/2012	6047	68.52	89.60	5811.55
3/15/2012	6340	88.99	89.69	
3/16/2012	6435	90.84	89.34	5831.45
3/16/2012	6531	92.15	87.84	5828.14
3/16/2012	6626	93.47	88.90	5823.42
3/16/2012	6721	92.95	87.23	5818.17
3/16/2012	6817	92.15	85.30	
3/16/2012	6913	94.18	89.87	
3/16/2012	7201	92.24	92.41	5789.00
3/16/2012	7297	88.37	90.13	5789.00
3/17/2012	7393	93.03	91.80	5788.27
3/17/2012	7489	92.33	91.89	5783.78
3/17/2012	7585	87.93	90.83	5783.57
3/17/2012	7680	91.01	91.18	5784.44
3/17/2012	7872	87.05	89.99	5784.00
3/17/2012	7968	87.76	89.99	5788.00
3/18/2012	8064	88.18	89.14	5791.60
3/18/2012	8160	90.13	88.75	5792.42
3/18/2012	8256	88.55	89.14	5793.00
3/18/2012	8448	88.64	89.43	5797.00
3/18/2012	8544	86.26	88.93	5801.00
3/18/2012	8640	85.38	89.32	5808.00
3/19/2012	8735	85.82	88.74	5815.26
3/19/2012	8830	88.11	89.14	5820.79
3/19/2012	8926	87.67	88.82	5824.72
3/19/2012	9022	88.37	90.54	5827.00
3/19/2012	9214	87.14	91.19	5836.79
3/20/2012	9310	88.02	91.81	5840.00
3/20/2012	9406	87.32	91.00	58.44
3/20/2012	9501	88.02	91.03	5848.00
3/22/2012	9693	86.79	87.23	
3/22/2012	9789	92.77	91.71	5854.00
3/22/2012	9885	90.92	89.95	5851.00
3/22/2012	9980	87.85	87.49	
3/22/2012	10044	8837.00	86.92	
3/22/2012	10175	88.81	84.59	5856.83

REGENERATION ENERGY CORP.

Dump
Eddy County, NM
Dump State #3H
VH - Job #32K0312327

30-015-39848

Design: VH - Job #32K0312327

SDI Standard Survey Report

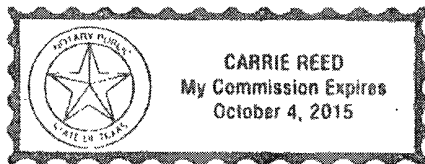
This survey is correct to the best of my knowledge and is supported by actual field data.

Clu... ..

Notarized this date *1st* of *May* 2012.

Carrie Reed

Notary Signature
County of Midland
State of Texas



Scientific Drilling
Directional Drilling Operations

Scientific Drilling International, Inc.
SDI Standard Survey Report



Company: REGENERATION ENERGY CORP
Project: Dump
Site: Eddy County, NM
Well: Dump State #3H
Wellbore: VH - Job #32K0312327
Design: VH - Job #32K0312327

Local Co-ordinate Reference: Well Dump State #3H
TVD Reference: WELL @ 0 00usft (Original Well Elev)
MD Reference: WELL @ 0 00usft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM-Regulatory

Project: Dump

Map System: US State Plane 1927 (Exact solution)
Geo Datum: NAD 1927 (NADCON CONUS)
Map Zone: New Mexico East 3001

System Datum: Mean Sea Level

Site: Eddy County, NM

Site Position:
From: Lat/Long
Position Uncertainty: 0 00 usft
Northings: 548,068 26 usft
Easting: 582,965 73 usft
Slot Radius: 13-3/16"
Latitude: 32° 30' 23 263 N
Longitude: 104° 3' 51 149 W
Grid Convergence: 0 14 "

Well: Dump State #3H, Directional (Pathfinder)

Well Position:
+N/-S: 0.00 usft
+E/-W: 0.00 usft
Position Uncertainty: 0.00 usft
Northings: 548 068 26 usft
Easting: 582,965 73 usft
Wellhead Elevation: usft
Latitude: 32° 30' 23 263 N
Longitude: 104° 3' 51 149 W
Ground Level: 0.00 usft

Wellbore: VH - Job #32K0312327

Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
	IGRF 2010	03/21/12	7 74	60 34	48,681

Design: VH - Job #32K0312327

Audit Notes:

Version: 1 0
Phase: ACTUAL
Tie On Depth: 5,205 00

Vertical Section	Depth From (TVD)	+N/-S	+E/-W	Direction
	(usft)	(usft)	(usft)	(°)
	0 00	0 00	0 00	89 24

Survey Program Date: 05/28/12

From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description
100 00	5,205 00	Gyro (VH - Job #32K0312281)	Keeper	Keeper Gyro
5,210 00	9,415 00	Gyro (VH - Job #32K0312327)	Keeper	Keeper Gyro

Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	True Vertical Depth	North/South (usft)	East/West (usft)	Closure Azimuth (°)	Closure Distance (usft)
0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
100.00	0 64	249 14	100 00	-0 20	-0 52	249 14	0 56
200.00	0 81	273 78	199 99	-0 35	-1 75	258.65	1 78
300.00	0 40	277 96	299 98	-0 26	-2 80	264 77	2 81
400.00	0 68	345 70	399 98	0 37	-3 29	276 36	3 31
500.00	0 46	341 30	499 98	1 32	-3 57	290 34	3 80
600.00	0 37	343 73	599 97	2 01	3 79	297 99	4 29
700.00	0 45	13 60	699 97	2 70	-3 78	305 54	4 65
800.00	0 45	21 90	799 97	3 45	-3 55	314 22	4 95
900.00	0 58	37 36	899 96	4 22	-3 09	323 75	5 23
1,000.00	0 80	10 34	999 96	5 31	-2 66	333 37	5 94

Scientific Drilling International, Inc.
SDI Standard Survey Report



Company: REGENERATION ENERGY CORP
Project: Dump
Site: Eddy County, NM
Well: Dump State #3H
Wellbore: VH - Job #32K0312327
Design: VH - Job #32K0312327

Local Co-ordinate Reference:
TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:
Database:

Well Dump State #3H
WELL @ 0.00usft (Original Well Elev)
WELL @ 0.00usft (Original Well Elev)
Grid
Minimum Curvature
EDM-Regulatory

Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	True Vertical Depth	North/South (usft)	East/West (usft)	Closure Azimuth (°)	Closure Distance (usft)
1,100.00	0.67	12.47	1,099.95	6.56	2.41	339.85	6.99
1,200.00	0.46	359.84	1,199.94	7.54	-2.28	343.14	7.87
1,300.00	0.36	16.61	1,299.94	8.24	-2.19	345.08	8.53
1,400.00	1.12	8.66	1,399.93	9.51	-1.96	348.36	9.71
1,500.00	2.43	9.80	1,499.88	12.56	-1.45	353.42	12.64
1,600.00	1.92	22.65	1,599.81	16.20	-0.44	358.43	16.20
1,700.00	1.84	22.79	1,699.76	19.22	0.82	2.45	19.24
1,800.00	1.82	22.81	1,799.70	22.17	2.06	5.31	22.26
1,900.00	1.68	23.78	1,899.66	24.97	3.27	7.45	25.18
2,000.00	1.04	21.00	1,999.63	27.16	4.18	8.76	27.48
2,100.00	0.96	16.48	2,099.61	28.81	4.75	9.36	29.20
2,200.00	0.79	19.65	2,199.60	30.26	5.22	9.78	30.71
2,300.00	1.13	354.46	2,299.59	31.89	5.35	9.53	32.34
2,400.00	1.35	349.50	2,399.57	34.03	5.04	8.43	34.40
2,500.00	1.43	349.96	2,499.54	36.42	4.61	7.21	36.71
2,600.00	1.51	349.53	2,599.50	38.94	4.15	6.09	39.17
2,700.00	1.40	353.47	2,699.47	41.45	3.78	5.20	41.63
2,800.00	1.20	355.45	2,799.45	43.71	3.55	4.65	43.86
2,900.00	0.87	8.76	2,899.43	45.51	3.59	4.51	45.65
3,000.00	0.80	355.54	2,999.42	46.95	3.65	4.44	47.09
3,100.00	1.16	296.42	3,099.41	48.10	2.69	3.20	48.17
3,200.00	1.23	286.93	3,199.38	48.86	0.75	0.88	48.87
3,300.00	1.26	283.18	3,299.36	49.42	-1.34	358.44	49.44
3,400.00	1.26	286.00	3,399.34	49.98	-3.47	356.03	50.10
3,500.00	1.44	283.50	3,499.31	50.57	-5.75	353.51	50.90
3,600.00	1.44	285.15	3,599.28	51.20	-8.18	350.92	51.85
3,700.00	0.98	249.87	3,699.26	51.23	-10.20	348.74	52.24
3,800.00	0.90	244.40	3,799.24	50.60	-11.71	346.97	51.93
3,900.00	0.85	242.58	3,899.23	49.92	-13.08	345.32	51.80
4,000.00	0.95	240.19	3,999.22	49.16	-14.46	343.01	51.24
4,100.00	0.97	244.19	4,099.20	48.38	-15.94	341.77	50.94
4,200.00	0.99	239.47	4,199.19	47.57	-17.44	339.86	50.67
4,300.00	1.01	247.71	4,299.17	46.80	-19.00	337.90	50.51
4,400.00	1.01	252.10	4,399.16	46.20	-20.66	335.91	50.60
4,500.00	0.96	255.23	4,499.14	45.71	-22.31	333.99	50.86
4,600.00	0.95	259.70	4,599.13	45.35	-23.93	332.18	51.28
4,700.00	0.95	257.43	4,699.12	45.02	-25.56	330.42	51.77
4,800.00	1.03	261.36	4,799.10	44.71	-27.25	328.63	52.36
4,900.00	1.16	266.43	4,899.08	44.51	-29.15	326.77	53.21
5,000.00	1.11	258.33	4,999.06	44.25	-31.11	324.89	54.09
5,100.00	1.04	255.09	5,099.05	43.82	-32.94	323.07	54.82
5,200.00	1.02	272.60	5,199.03	43.63	-34.70	321.50	55.74
5,300.00	0.05	345.26	5,299.01	43.58	-36.50	320.05	56.84
5,400.00	12.06	84.75	5,398.34	44.37	-26.82	328.85	51.85

Scientific Drilling International, Inc.

SDI Standard Survey Report



Company: REGENERATION ENERGY CORP
Project: Dump
Site: Eddy County, NM
Well: Dump State #3H
Wellbore: VH - Job #32K0312327
Design: VH - Job #32K0312327

Local Co-ordinate Reference:
TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:
Database:

Well Dump State #3H
WELL @ 0 00usft (Original Well Elev)
WELL @ 0 00usft (Original Well Elev)
Grid
Minimum Curvature
EDM-Regulatory

Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	True Vertical Depth	North/South (usft)	East/West (usft)	Closure Azimuth (°)	Closure Distance (usft)
5 500.00	23.40	86.36	5.493.47	46.72	3.41	4.18	46.65
5 600.00	33.59	89.37	5.581.10	48.45	51.26	46.62	70.54
5 700.00	42.97	89.93	5.659.95	49.02	112.56	66.47	122.77
5 800.00	54.54	91.85	5.725.66	47.45	187.68	75.81	193.59
5 900.00	64.19	90.53	5.776.80	45.83	273.46	80.49	277.27
6 000.00	73.26	89.38	5.812.65	46.00	366.69	82.85	369.57
6 100.00	83.37	91.03	5.833.74	45.98	464.32	84.34	466.59
6 200.00	86.84	90.87	5.840.64	43.98	564.05	85.54	565.76
6 300.00	88.82	89.15	5.843.66	43.94	663.99	86.21	665.44
6 400.00	89.30	89.13	5.845.55	45.35	763.96	86.60	765.31
6 500.00	92.21	88.10	5.844.34	47.39	863.91	86.86	865.21
6 600.00	92.48	87.55	5.840.41	51.47	963.75	86.94	965.12
6 700.00	92.79	87.60	5.834.91	54.60	1,063.55	87.06	1,064.95
6 800.00	92.16	85.80	5.830.09	60.25	1,163.26	87.03	1,164.82
6 900.00	94.07	88.67	5.824.82	66.49	1,262.90	86.99	1,264.65
7 000.00	94.55	89.61	5.817.03	67.25	1,362.60	87.17	1,364.25
7 100.00	94.05	90.09	5.808.75	67.90	1,462.25	87.34	1,463.82
7 200.00	92.61	91.53	5.803.40	66.15	1,562.08	87.57	1,563.48
7 300.00	88.85	90.17	5.801.00	64.04	1,662.00	87.79	1,663.23
7 400.00	92.43	91.43	5.801.27	62.97	1,761.96	87.95	1,763.09
7 500.00	92.10	91.45	5,795.93	60.78	1,861.79	88.13	1,862.78
7 600.00	88.06	90.75	5,793.62	58.48	1,961.70	88.29	1,962.57
7 700.00	90.88	90.98	5,795.03	57.25	2,061.66	88.41	2,062.46
7 800.00	90.58	90.32	5,792.59	56.11	2,161.62	88.51	2,162.35
7 900.00	87.03	89.80	5,793.97	55.05	2,261.58	88.58	2,262.27
8 000.00	88.04	89.43	5,798.31	56.61	2,361.48	88.63	2,362.16
8 100.00	89.67	88.90	5 801.16	58.21	2,461.42	88.65	2,462.11
8 200.00	90.40	88.63	5 801.18	60.32	2,561.40	88.65	2,562.11
8 300.00	88.51	88.74	5 802.62	62.32	2,661.37	88.66	2,662.10
8 400.00	88.90	88.37	5,804.18	65.11	2,761.31	88.65	2,762.08
8 500.00	88.20	89.51	5 807.00	66.87	2,861.26	88.66	2,862.04
8 600.00	85.17	89.07	5,812.28	68.36	2,961.09	88.68	2,961.88
8 700.00	65.25	88.79	5,820.28	70.04	3,060.75	88.69	3,061.55
8 800.00	88.02	89.05	5,826.25	72.12	3,160.54	88.69	3,161.37
8 900.00	87.00	88.09	5,830.24	74.38	3,260.43	88.69	3,261.28
9 000.00	90.77	89.58	5,832.62	76.23	3,360.36	88.70	3,361.27
9 100.00	88.12	90.20	5,833.92	75.91	3,460.33	88.74	3,461.17
9 200.00	87.20	90.97	5,838.90	75.07	3,560.20	88.79	3,560.99
9 300.00	87.72	91.29	5,843.77	73.35	3,660.07	88.85	3,660.80
9 400.00	88.79	92.00	5,847.10	70.55	3,759.97	88.93	3,760.63
9 415.00	88.51	91.34	5,847.37	70.10	3,774.96	88.94	3,775.61

REGENERATION ENERGY CORP.



Azimuths to Grid North
True North -0 14°
Magnetic North. 7.60°

Magnetic Field
Strength 48680.9nT
Dip Angle 50.34°
Date 03/21/2012
Model IGRF2010

To convert a Magnetic Direction to a Grid Direction, Add 7.60°
To convert a True Direction to a Grid Direction Subtract 0.14°

Dump State #3H

Northing: (Y) 548068.26

Easting. (X) 582965.73

VH - Job #32K0312327

WELL DETAILS: Dump State #3H

+N-S	+E-W	Northng	Ground Level	COC	
0 00	0 00	548068 26	Fasting	Latitude	Longitude
			592565 73 32' 30"	23 263 N	104° 3' 51 149 W

SECTION DETAILS

No plan data is available

DESIGN TARGET DETAILS

No target data is available

SITE DETAILS: Eddy County NM

Site Centre Northing	548068 26
Easting	582965 73

Positional Uncertainty: 0.00
Convergence: 0.14
Local North: Grid

PROJECT DETAILS. Dumo

Geodetic System: US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: New Mexico East 3001

System Datum Mean Sea Level

LEGEND

----- Dump State #3H, VH - Job #32K0312281, V- - Job #32K0312281 VO
----- VH - Job #32K0312327
----- Gyro

