



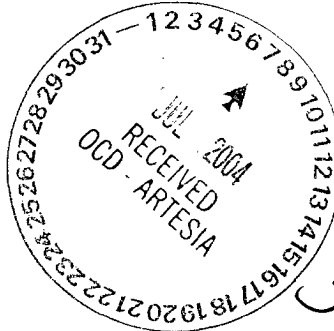
Ryan The leader in
UNDERGROUND INTELLIGENCE™

19510 Oil Center Blvd
Houston, TX 77073
Bus 281.443.1414
Fax 281.443.1676

06/24/04

New Mexico Energy, Mineral &
Natural Resources Department
District No. 2
1301 W. Grand Avenue
Artesia, New Mexico 88210

Attention: Bryan Arrant:



30-015-33304

Re: **Nadel & Gussman**
Big Apple Federal No. 1
Eddie County, New Mexico

Enclosed, please find the original and one copy of the survey performed on the above-referenced well by Ryan Energy Technologies U.S.A., Inc. (Operator No. 740022). Other information required by your office is as follows:

Name & Title of Surveyor	Drainhole Number	Start Depth	End Depth	Start Date	End Date	Type of Survey
Silas Poteet Directional Driller	Original Hole	200'	4685'	04/24/04	04/24/04	Gyro Multishot
Silas Poteet Directional Driller	Original Hole	4782'	12279'	04/25/04	05/24/04	MWD Survey

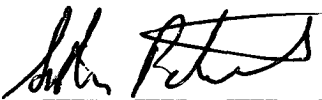
A certified plat on which the bottom hole location is oriented both to the surface location and to the lease lines (or unit lines in case of pooling) is attached to the survey report. If any other information is required please contact the undersigned at the letterhead address or phone number.

Troy L. Stoute
Technical Support Coordinator – Houston

Enclosures
cc: **Nadel & Gussman**

State of New Mexico
Eddie County, New Mexico

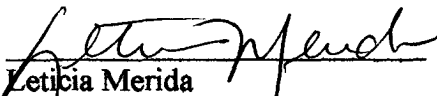
I, **Silas Poteet**, certify that; I am employed by Ryan Energy Technologies USA, Inc.; that I did on the day(s) of **04/24/04** thru **04/24/04** conduct or supervise the taking of **Gyro Multishot surveys** from a depth of **200' MD** to a depth of **4685' MD**; on the day(s) of **04/25/04** thru **05/24/04** conduct or supervise the taking of **MWD Surveys** from a depth of **4782' MD** to a depth of **12279' MD**; that the data is true, correct, complete, and within the limitations of the tool as set forth by Ryan Energy Technologies USA, Inc.; that I am authorized and qualified to make this report; that this survey was conducted at the request of **Nadel & Gussman** for the **Big Apple Federal No. 1**; Well No. 1 in **Eddie County, New Mexico** and that I have reviewed this report and find that it conforms to the principles and procedures as set forth by Ryan Energy Technologies USA, Inc.



Silas Poteet
Directional Driller
Ryan Energy Technologies U.S.A., Inc.

STATE OF TEXAS
COUNTY OF HARRIS

SWORN AND SUBSCRIBED TO AND BEFORE ME, the undersigned Notary Public, by Silas Poteet, on this 6th day of June 2004.



Leticia Merida
Notary Public in and for the
State of Texas
Commission Expires: 12/27/04

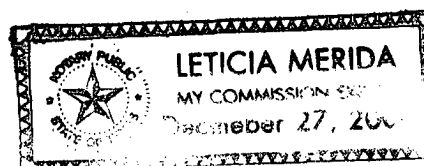


EXHIBIT #1

DISTRICT I

P.O. Box 2222, Santa Fe, NM 87504-1222

DISTRICT II

P.O. Box 2222, Santa Fe, NM 87504-1222

DISTRICT III

2000 Rio Grande St., Santa Fe, NM 87504

DISTRICT IV

P.O. Box 2222, Santa Fe, NM 87504-1222

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-162

Revised February 16, 1994

Submit to: Appropriate District Office

State Lease - 4 Copies

Fee Lease - 2 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name BIG APPLE FEDERAL	Well Number 1
OSHD No.	Operator Name NADEL & GUSSMAN	Elevation 3505'

Surface Location

Sec. or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West Line	County
7	5	24-S	26-E		685	SOUTH	2140	EAST	EDDY

Bottom Hole Location If Different From Surface

Sec. or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West Line	County
N	5	24-S	26-E		660	SOUTH	1600	WEST	EDDY
Dedicated Acres	Acres - BLM	Commodities Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4	LOT 3	LOT 2	LOT 1
Big Apple Federal No. 1 BHL 12350' MD 12030.47' TVD S: 79.05' W: 1525.65' Csr Dist: 1527.69 @ 267.03 Azm			
GEODETIC COORDINATES MAD 27 NME BHL LOC. Y = 451339.4 N X = 504645.9 E			
SURFACE LOC. Y = 451435.9 N X = 506158.7 E LAT. 32°14'28.01"N LONG. 104°18'48.29"W			
38.55 AC. LOT 7 38.13 AC. LOT 8 3506.9' 3484.4' 2140' 3498.5' 38.40 AC. 37.98 AC.			

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Josh Fernau
Signature

Josh Fernau
Printed Name

Staff Engineer
Title

02/06/04
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same are true and correct to the best of my belief.

JANUARY 20, 2004

Date Registered: 2/6/04 REV: 2/06/04

Signature: *G. EIDSON*
Professional Engineer

NEW MEXICO
04.11.00426

Certified by: *GARY EIDSON* 18041