Form 3150-3		-	ARTESLAUT	ISTST (FORM A OMB NO	PPROVED
(July 1992)			•	reverse side)	Expires: Fe	NAND SERIAL NO.
		NT OF THE IN				/BHL-NM-02953C
		LAND MANAGEN			6. IF INDIAN, ALLOTTE	E OR TRIBE NAME
	LICATION FOR	PERMIT TO D	RILL OR D	EEPEN	7. UNIT AGREEMENT N	IAME
	DRILL X	DEEPEN			JAMES RANCH	UNIT
b. TYPE OP WELL OIL WFLL NAME OF OPERATOR	GAS OTHER			MULTIPLE X	8. FARM OR LEASE NA JAMES RANCH	
	s Production Co.	1801 /5	<u> </u>	20	9. API WELL NO.	
ADDRESS AND TELEPHO P.O. BOX 2760,	DNE NO.	2760	P	915-683-22	$\frac{30-015}{10. \text{ FIELD AND POOL}}$	
LOCATION OF WELL (R	eport location clearly and in accor		Aments.*)		LOS MEDANOS	
At surface 200' FNL, 1295' At proposed prod. zone	FEL, SECTION 6, T235	5. R31E Lot 1,	(Ungrad)		& WOLFCAMP) 11. SEC., T., R., M., OR AND SURVEY OR AF SURF: SEC 6.	REA
	660' FEL. SECTION 3		UNIST	· ·	12. COUNTY OR PARIS	
4. DISTANCE IN MILES A 38 MILES EAST (ND DIRECTION FROM NEAREST TO	WIN OR FORT OFFICE	», 37.99.95	· ·	EDDY	NM
5. DISTANCE FROM PROP LOCATION TO NEARES	OSED*		NO. OF ACRES IN LEAS		OF ACRES ASSIGNED HIS WELL	
PROPERTY OR LEASE I (Also to nearest drig	unit line, if any) OOV		320 PROPOSED DEPTH	20. ROT	40	
8. DISTANCE FROM PROF TO NEAREST WELL, D. OR APPLIED FOR, ON T	RILLING, COMPLETED, THIS LEASE, PT. 1320		11382' TVD/118		DTARYP	st 3-24-00
1. ELEVATIONS (Show w		BAD CONTRO	LLED WATE	R BASIN	22. APPROX. DATE V UPON APPRO	
3.		PROPOSED CASING ANI	D CEMENTING PROC	FRAM		_,
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DI		SX CIRC TO SURF	
*14-3/4"	<u>11-3/4", WC40</u>	<u>42#</u> 32# Wi	TNESS 4000		0 SX CIRC TO SURF	
<u>11</u> * 7-7/8*	8-5/8", K55 5-1/2", P110	<u> </u>	TINESS 1,84	0. 176	5 SX CIRC TO SURF 500".	
DRILLING PF THIS WILL F TO 18.88 DF TO 36.15 DF TVD AND ALL **(ALL DEP THIS WELL T PROPOSED LF UNDER SEPA	D BE SET IN THE RUST ROCEDURE, BOPE DIAGRA BE A CONTROLLED DIREG EG AT 6144' AND HOLD EG AT 11,257' AND HOLD L OBJECTIVES BELOW 1 TH MEASURED DEPTH EX IS LOCATED WITHIN TH OCATION WILL BE NOTI RATE COVER.	AM, ANTICIPATED CTIONAL WELL. KOU ING THAT ANGLE TO 1,011' TVD WILL I CEPT WHEN SPECIF E R-111P POTASH FIED OF THE DRILL R-111-P POTA	O (O APPROX 520 D 10,394' WHEF PTD. THE LEAS BE SITHIN ORTH IED OTHERWISE AREA AND ALL F LING OF THIS N	WE WILL BE SE LINE WILL BE SE LINE WILL HODOX SPACING .) POTASH LEASE WELL. POTASH SECRET/	GIN TO BUILD AT NOT BE CROSSED GENERAL R GENERAL R SPECIAL ST OWNERSTATTALENI NOTIFICATIONS WI ARY'S POTASH	EQUIREMENTS IPULATIONS ILE OF THE ILL BE SENT
4.	. 0 0	1,	W. R. DANNELS		1	7-29-99
SIGNED JUIL	iam R. Dannel		DIVISION DRIL		DATE	2-29-99
(This space for Fede	ral or State office use)					
PERMIT NO.			APPROVAL DAT			
Application approval do CONDITIONS OP APP	es not warrant or certify that the applicant PROVAL, IP ANY:			se which would entitle th		,
	Section 1001, makes it a crimulent statements or representat	*Coo instructu	ons On Reverse Singly and willfully to this jurisdiction.	make to any dena Notity O	The second of th	United States any false. TIME

to withess contenting the



DISTRICT I P.G. Box 1960, Hobbs, NM 58240

DISTRICT II P.O. Drawer DD, Artenia, NM 88210

DISTRICT III

1000 Rio Brasos 2d., Astac, NM 87410

OIL CONSERVATION DIVISION P.O. Box 2088

Santa Fe. New Mexico 87504-2088

AMENDED REPORT

Form C-102

Instruction on back

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number **Pool Code** Pool Name LOS MEDANOS (WOLFCAMP & BONE SPRING) Property Name Vell Number **Property** Code JAMES RANCH UNIT 24 **Operator** Name Klevetion OGRID No. BASS ENTERPRISES PRODUCTION COMPANY 3329' 001801 Surface Location UL ar lat No. Section Range Lot Idn Feet from the North/South line Feet from the East/West line County Township 200 NORTH 1295 EAST LOT 1 6 23 S 31 E EDDY Bottom Hole Location If Different From Surface Feet from the North/South line East/West line Lot Idn Feet from the UL or lot No. Section Township Range County 1980 SOUTH 660 EAST 31 22 S 31 E EDDY 1 Joint or Infill Consolidation Code Dedicated Acres Order No. Y 40 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 3 - 40.47 Ac. **OPERATOR CERTIFICATION** I hereby certify the the information d herein is true and complete to the best of my knowledge and belief. 660 William R. h Jannel Signature Lot 4 - 40.81 Ac. William R. Dannels ò Printed Name 2270.1 980 Division Drilling Supt. Title 12-29**-99** Date SURVEYOR CERTIFICATION SEC. 31, T-22-S, R-31-E SEC. 6, T-23-S, R-31-E 3322.6 3329.0 I hereby certify that the well location shown 1295'on this plat was platted from field notes of actual surveys made by me or under my 3323.1 3325.0 supervison, and that the same is true and correct to the best of my belief. LAT - N 32"20'25" LONG - W 103'48'45" November 16, 1999 Date Surflyed Lot 4 - 40.45 Ac. Lot 3 - 39.90 Ac. Lot 2 - 39.94 Ac. Lot 1 - 39.98 Ac. Signature W Seal or Prefessional Surveyor C_O Q. -48 21 5 Cary C 7977 Certificate No. líónes Green was Lot 5 - 40.79 Ac. BASIN SURVEYS

State of New Mexico

Energy, Minerals and Natural Besources Department

Revised February 10, 1994 Submit to Appropriate District Office

EIGHT POINT DRILLING PROGRAM BASS ENTERPRISES PRODUCTION CO.

NAME OF WELL: JAMES RANCH UNIT #24

LEGAL DESCRIPTION - SURFACE: 200' FNL & 1295' FEL, Section 6, T-23-S, R-31-E, Eddy County, New Mexico.

Bottom Hole Location: 1980' FSL & 660' FEL, Section 31, T22S, R31E, Eddy County, New Mexico.

POINT 1: ESTIMATED FORMATION TOPS

(See No. 2 Below)

POINT 2: WATER, OIL, GAS AND/OR MINERAL BEARING FORMATIONS

Anticipated Formation Tops:	KB 3345' (est)
	GL 3329'

FORMATION	ESTIM/ TOP FR		ESTIMATED SUBSEA TOP	BEARING
	TVD	MD	TVD	
T/Rustler	630'	630'	+2,715'	None
T/Salt	730'	730'	+2,615'	None
B/Salt	3,630'	3,630'	- 285'	None
T/Ramsey	4,020'	4,020'	- 675'	None
T/Delaware 'C'	7,308'	7,392'	- 3,963'	Oil & Gas
T/Delaware 'D'	7,548'	7,646'	- 4,203'	Oil & Gas
T/Bone Spring	7.841'	7,955'	- 4,496'	Oil & Gas
T/3 rd Bone Spring	11,011'	11,381'	- 7,666'	Oil & Gas
T/Wolfcamp	11,137'	11,537'	- 7,792'	Oil & Gas
TD	11,382'	11,840'	- 8,037'	

POINT 3: CASING PROGRAM

<u>TYPE</u>	<u>INTERVALS</u>	<u>PURPOSE</u>	CONDITION
16"	0' - 40'	Conductor	New
11-3/4", 42#, H-40, STC	0' - 700'	Surface	New
8-5/8", 32#, K-55, STC	0' - 4,000'	Intermediate	New
5-1/2", 17#, P-110, LTC	0' - 11,840'	Production	New
5-1/2", 17#, P-110, LTC	0' - 11,840'	Production	1101

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAM)

A BOP equivalent to Diagram 1 will be nippled up on the surface casing head. The BOP stack, choke, kill lines, kelly cocks, inside BOP, etc. will be hydro-tested to the lowest rated working pressure of the equipment being tested. In addition to the rated working pressure test, a low pressure (200 psi) test will be required. These tests will be performed:

- a) Upon installation
- b) After any component changes
- c) Fifteen days after a previous test
- d) As required by well conditions

A function test to insure that the preventers are operating correctly will be performed on each trip. See the attached Diagram 1 for the minimum criteria for the choke manifold.

POINT 5: MUD PROGRAM

DEPTH	MUD TYPE	WEIGHT	<u>FV</u>	<u>PV</u>	<u>YP</u>	<u>FL</u>	Ph
0' - 700'	FW Spud Mud	8.5 - 9.2	35-40	NC	NC	NC	NC
700' - 4.000'	BW	9.8 - 10.2	2 9 -30	NC	NC	NC	NC
4,000' - 7,800'	FW/Starch	8.4 - 8.8	29-31	NC	NC	NC	9.5 - 10.5
•	CBW/Polymer	8.6 - 9.8	34-45	10-14	12-18	15-18	9.5 - 10.5
7,800' - 11,840'	CDAMEONAUCI	0.0 0.0	•••••				

POINT 6: TECHNICAL STAGES OF OPERATION

A) TESTING

Drill stem tests will be performed on significant shows in zones of interest.

B) LOGGING

GR-CNL-LDT, GR-DLL-MSFL run from TD to 4000', GR-CNL intermediate casing shoe to surface.

C) CORING

No cores are anticipated.

D) CEMENT

	•	FT OF				
INTERVAL	AMOUNT SXS	<u>FILL</u>	TYPE	GALS/SX	<u>PPG</u>	<u>FT³/SX</u>
Circ to surface Lead (100% excess)	±290	575	Ciass C + 4% Gel + 2% CaCl ₂ + 1/4 ppg Cellofiake	9.17	13.50	1.75
Tail (100% excess)	±100	125	Class C + 2% CaCl₂ + 1/4 ppg Celloflake	6.36	14.80	1.34

POINT 6: TECHNICAL STAGES OF OPERATION Con't...

D) CEMENT

	AMOUNT SXS	ft of <u>fill</u>	<u>TYPE</u>	GALS/SX	<u>PPG</u>	FT ³ /SX
Circ to surface Lead (100% excess)	±760	3370	50/50 Poz C + 10% Gel + 5% Salt	12.09	12.59	2.24
Tail (100% excess)	±250	630	Class C + 1% CaCl ₂	6.34	14.80	1.34
PRODUCTION (Two	stage w/DV tool @ 5500' a	and circulat FT OF	te cement to surface.)			
	AMOUNT SXS	<u>FILL</u>	TYPE	<u>GALS/SX</u>	PPG	FT ³ /SX
1* Stage 5500'-11,840' (50% excess)	1215	6340	Poz H + 0.5% FL-25 + 0.5% FL-52 + 2 pps Salt	6.36	14.00	1.36
2 nd Stage LEAD 0'-5000' (50% excess)	450	5000	Poz H + 10% Gel + 5% Salt + 0.2% FL-52	12.09	12.59	2.24
TAIL 5000'-5500' (50% excess) (50% ex	100 œss)	500	Class C Neat	6.34	14.80	1.34

E) DIRECTIONAL DRILLING (See attached directional plan.)

A straight hole will be drilled to 5200' TVD. A gyro or multi-shot directional survey will be taken at 100' intervals from 5200' to surface.

Directional surveys will be provided at least every 200' from TD to 5200' detailing hole location.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout the Delaware section. The Bone Spring expected BHP is 6000 (max) or an equivalent mud weight of 10.0 ppg (a) TD. Due to the tight nature of the reservoir rock (high pressure, low volume), the well will be drilled under balanced utilizing a rotating head. The expected BHT at TD is 170°F. Prior to penetrating the abnormal pressures in the Bone Spring and Wolfcamp, mud-monitoring equipment will be installed and operative. No H₂S is anticipated.

POINT 8: OTHER PERTINENT INFORMATION

A) Auxiliary Equipment

Upper and lower kelly cocks. Full opening stab in valve on the rig floor.

B) Anticipated Starting Date

Upon approval

- 31 days drilling operations
- 15 days completion operations

JCW/mac December 29, 1999

MULTI-POINT SURFACE USE PLAN

NAME OF WELL: JAMES RANCH UNIT #24

LEGAL DESCRIPTION - SURFACE: 200' FNL & 1295' FEL, Section 6, T-23-S, R-31-E, Eddy County, New Mexico.

Bottom Hole Location: 1980' FSL & 660' FEL, Section 31, T22S, R31E, Eddy County, New Mexico.

POINT 1: EXISTING ROADS

A) Proposed Well Site Location:

See Exhibit "A".

B) Existing Roads:

From Jal, New Mexico, go west on Hwy 128 approximately 47 miles (10 miles east of Hwy 31 & Hwy 128). Go North on paved WIPP road for 3/4 mile. Turn right and go East 1/2 mile on lease road then north 1/4 mile, then east into location.

C) Existing Road Maintenance or Improvement Plan:

See Exhibit "A".

POINT 2: NEW PLANNED ACCESS ROUTE

A) Route Location:

See Exhibit "A". If this well is the first well on the 5 well location pad, the new road from existing JRU #65 location will be 12' wide and approximately 800' long. The road will be constructed of watered and compacted caliche. If not the first well on the location pad, no new road will be required.

B) Width

Not applicable

C) Maximum Grade

Not applicable.

D) Turnout Ditches

None.

E) Culverts, Cattle Guards, and Surfacing Equipment

None.

POINT 3: LOCATION OF EXISTING WELLS

Exhibit "A-1" indicates existing wells within the surrounding area.

POINT 4: LOCATION OF EXISTING OR PROPOSED FACILITIES

A) Existing facilities within one mile owned or controlled by lessee/operator:

Production facilities and wells are show	vn on Exhibit "A-1" at:
James Ranch Unit #1	James Ranch Unit #13
James Ranch Unit #4	James Ranch Unit #19
James Ranch Unit #7	James Ranch Unit #29
James Ranch Unit #10	

B) New Facilities in the Event of Production:

Will build new facilities at new James Ranch Unit #22, 23, 24, & 25 surface pad and lay a flowline to those facilities.

C) Rehabilitation of Disturbed Areas Unnecessary for Production:

Those access areas required for continued production will be graded to provide drainage and minimize erosion. The areas unnecessary for use will be graded to blend in the surrounding topography – See Point 10.

POINT 5: LOCATION AND TYPE OF WATER SUPPLY

A) Location and Type of Water Supply

Brine water will be hauled form commercial facilities. Fresh water to be hauled from Diamond and a Half Meter Station, 35 miles east of Carlsbad, New Mexico or from Mills Ranch.

B) Water Transportation System

Water hauling to the location will be over the existing and proposed roads.

POINT 6: SOURCE OF CONSTRUCTION MATERIALS

A) Materials

Surface caliche will be used if possible. Closest alternate caliche source is indicated on Exhibit "A".

B) Land Ownership

Federally owned for both surface and bottom hole locations.

C) Materials Foreign to the Site

No construction materials foreign to this area are anticipated for this drill site.

D) Access Roads

See Exhibit "A".

POINT 7: METHODS FOR HANDLING WASTE MATERIAL

A) Cuttings

Cuttings will be contained in the plastic lined reserve pit.

B) Drilling Fluids

Drilling fluids will be contained in the plastic lined reserve pit.

C) Produced Fluids

Water production will be contained in the plastic lined reserve pit.

Hydrocarbon fluid or other fluids that may be produced during testing will be retained in test tanks. Prior to cleanup operations, any hydrocarbon material in the reserve pit will be removed by skimming or burning as the situation would dictate.

D) Sewage

Current laws and regulations pertaining to the disposal of human waste will be complied with.

E) Garbage

Portable containers will be utilized for garbage disposal during the drilling of this well.

POINT 7: METHODS FOR HANDLING WASTE MATERIAL - Con't...

F) Cleanup of Well Site

Upon release of the drilling rig, the surface of the drilling pad will be graded to accommodate a completion rig if electric log analysis indicate potential productive zones. In any case, the "mouse" hole and the "rat" hole will be filled and covered. The reserve pit will be bird netted and fenced. The fence will be maintained until the pit is backfilled. Reasonable cleanup will be performed prior to the final restoration of the site.

POINT 8: ANCILLARY FACILITIES

None required.

POINT 9: WELL SITE LAYOUT

A) Rig Orientation and Layout

Exhibit "C" shows the dimensions of the well pad and reserve pits, and the location of major rig components. Only minor leveling of the well site will be required. No significant cuts or fills will be necessary.

B) Locations of Pits and Access Road

See Exhibits "A" and "C".

C) Lining of the Pits

The reserve pits will be lined with plastic.

POINT 10: PLANS FOR RESTORATION OF THE SURFACE

A) Reserve Pit Cleanup

Pits will be fenced immediately after spudding and maintained until backfilled. Prior to back-filling, any hydrocarbon material on the pit surfaces shall be removed. The fluids and solids contained in the pits shall be backfilled with soil excavated from the site and soil adjacent to the reserve pits. The restored surface of the pits shall be contoured to prevent impoundment of surface water flow. Water-bars will be constructed as needed to prevent excessive erosion. Topsoil, as available, shall be placed over the restored surface in a uniform layer. The area will be seeded to Bureau of Land Management stipulations in the appropriate season following restoration.

POINT 10: PLANS FOR RESTORATION OF THE SURFACE - Con't...

B) Restoration Plans - Production Developed

Reserve pits will be backfilled and restored as described above under Item A. In addition, those areas not required for production will be graded to blend with the surrounding topography. Topsoil, as available, will be placed upon those areas and seeded. The portion of the site required for production will be graded to minimize erosion and provide access during inclement conditions. Following depletion and abandonment of the site, restoration procedures will be those that follow under Item C.

~^--

C) Restoration Plans - No Production Developed

Reserve pits will be restored as described above. With no production developed, the entire surface disturbed by construction of the well site will be restored. The site will be contoured to blend with the surrounding topography and provide drainage of surface water. The topsoil, as available, shall be replaced in a uniform layer and seeded according to the Bureau of Land Management's stipulations.

D) Rehabilitation's Time table

Upon completion of drilling operations, the initial cleanup of the site will be performed as soon as weather and site conditions allow economic execution of the work.

POINT 11: OTHER INFORMATION

A) Terrain

Relatively flat.

B) Soil

Caliche and sand.

C) Vegetation

Sparse, primarily grasses and mesquite with very little grass.

D) Surface Use

Primarily grazing.

E) Surface Water

There are no ponds, lakes, streams or rivers within several miles of the wellsite.

POINT 11: OTHER INFORMATION - Con't...

F) Water Wells

Mills Ranch has a water well.

G) Residences and Buildings

Ranch house is approximately 1 to 1-1/2 miles south of location.

H) Historical Sites

None observed.

I) Archeological Resources

An archeological survey will be obtained for this area. Before any construction begins, a full and complete archeological survey will be submitted to the Bureau of Land Management. Any location or construction conflicts will be resolved before construction begins.

J) Surface Ownership

The well site and new access road is on federally owned land. No ROW will be required.

- K) Well signs will be posted at the drilling site.
- L) Open Pits

All pits containing liquid or mud will be fenced and bird netted.

POINT 12: OPERATOR'S FIELD REPRESENTATIVE

(Field personnel responsible for compliance with development plan for surface use).

DRILLING William R. Dannels Box 2760 Midland, Texas 79702 (915) 683-2277 PRODUCTION Mike Waygood 3104 E. Green St. Carlsbad, New Mexico 88220 (505) 887-7329

Keith E. Bucy Box 2760 Midland, Texas 79702 (915) 683-2277

Page 7

POINT 13: CERTIFICATION

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Bass Enterprises Production Co. and it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

12-29-99

Date

<u>William R. Dannel</u> William R. Dannels

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WRD/JCW:mac









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# 5000 PSI WP



# THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- A. One double gate blowout preventer with lower rams for pipe and upper rams blind, all hydraulically controlled.
- B. Opening on preventers between rams to be flanged, studded or clamped and at least two inches in diameter.
- C. All connections from operating manifold to preventers to be all steel hose or tube a minimum of one inch in diameter.
- D. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate (close, open, and re-close) the preventers.
- E. All connections to and from preventers to have a pressure rating equivalent to that of the BOP's.
- F. Manual controls to be installed before drilling cement plug.
- G. Valve to control flow through drill pipe to be located on rig floor.
- H. All chokes will be adjustable. Choke spool may be used between rams.

 $\mathbf{P}$ 

# Schlumberger

| Client:    | Bass Enterprises Production Company |
|------------|-------------------------------------|
| Well:      | JRU #24                             |
| Field:     | Eddy County, NM                     |
| Structure: | James Ranch Unit                    |
| Scale:     | 1 in = 500 ft                       |
| Date:      | 27-Dec-1999                         |







Vertical Section Departure at 16.20 deg from (-200.0, 3985.0). (1 in = 1000 feet)

Schlumberger

# **Proposed Well Profile**

| Client:                             | Client: Bass Enterprises Production Company | ses Produc | ction Comp        | any                                 |           | Surve   | ey Computatio                     | n Method: h             | Survey Computation Method: Minimum Curvature         | ature         |         |
|-------------------------------------|---------------------------------------------|------------|-------------------|-------------------------------------|-----------|---------|-----------------------------------|-------------------------|------------------------------------------------------|---------------|---------|
| Field:                              | Field: Eddy County, NM                      | WN         |                   |                                     |           | Ъ       | DLS Computation Method: Lubinski  | n Method:               | Lubinski                                             |               |         |
| Structure:                          | Structure: James Ranch Unit                 | i Unit     |                   |                                     |           | >       | Vertical Section Azimuth: 16.200° | Azimuth:                | 16.200°                                              |               |         |
| Well:                               | Well: JRU #24                               |            |                   |                                     |           |         | Vertical Secti                    | on Origin:              | Vertical Section Origin: S 200.000 ft, E 3985.000 ft | E 3985.000 ft |         |
| Borehole: JRU #24                   | JRU #24                                     |            |                   |                                     |           |         | TVD                               | TVD Reference:          |                                                      |               |         |
| UWI/API#:                           |                                             |            |                   |                                     |           |         |                                   | .,                      | 3329.0 ft above                                      | в             |         |
| Date:                               | Date: December 28, 1999                     | , 1999     |                   |                                     |           |         | Magnetic De                       | Magnetic Declination: { | 8.823°                                               |               |         |
| Grid Convergence: 0.26286466°       | 0.26286466°                                 |            |                   |                                     |           |         | Total Field                       | Total Field Strength: 4 | 48575.897 nT                                         |               |         |
| Scale Factor: 0.99993997            | 0.99993997                                  |            |                   |                                     |           |         |                                   | Dip:                    | 58.629°                                              |               |         |
|                                     |                                             |            |                   |                                     |           |         | Declina                           | Declination Date:       | December 27, 1999                                    | 1999          |         |
| Location:                           | Location: N 30 20 21.038, W                 | 38, W 103  | 103 48 46.590     |                                     |           | Mag     | Magnetic Declination Model:       |                         | BGGM 1999                                            |               |         |
|                                     | S 239951.405 ftUS,                          |            | E 664159.297 ftUS | flus                                |           |         | North F                           | North Reference:        | True North                                           |               |         |
| Coordinate System: NAD27 New Mexico | NAD27 New I                                 |            | tte Planes,       | State Planes, Eastern Zone, US Feet | , US Feet | ပ       | Coordinate Reference To:          |                         | Structure Reference Point                            | srence Point  |         |
|                                     |                                             |            |                   |                                     |           |         |                                   |                         |                                                      |               |         |
| Station ID                          | MD                                          | Incl       | Azim              | TVD                                 | VSec      | S-/N    | E/-W                              | Closure                 | at Azim                                              | DLS           | Ŧ       |
|                                     | (ft)                                        | (。)        | (°)               | (ft)                                | (ft)      | (ft)    | (ft)                              | (ft)                    | (,)                                                  | (°/100ft)     | (,)     |
| Tie-In                              | 5100.00                                     | 0.00       | 16.2              | 5100.00                             | 0.00      | -200.00 | 3985.00                           | 0.00                    | 92.87                                                | 00.0          | 16.2MTF |

| Station ID | dW      | lncl  | Azim | TVD     | VSec  | S-IN    | EI-W    | Closure | at Azim | DLS               | TF      |
|------------|---------|-------|------|---------|-------|---------|---------|---------|---------|-------------------|---------|
|            | (ft)    | (°)   | (°)  | (ft)    | (ft)  | (ft)    | (ft)    | (ft)    | (.)     | (°/100ft)         | (.)     |
| Tie-In     | 5100.00 | 0.00  | 16.2 | 5100.00 | 0.00  | -200.00 | 3985.00 | 0.00    | 92.87   | 00 <sup>.</sup> 0 | 16.2MTF |
| КОР        | 5200.00 | 00.0  | 16.2 | 5200.00 | 0.00  | -200.00 | 3985.00 | 00.0    | 92.87   | 00.0              | 16.2MTF |
|            | 5300.00 | 2.00  | 16.2 | 5299.98 | 1.75  | -198.32 | 3985.49 | 1.75    | 92.85   | 2.00              | 16.2MTF |
|            | 5400.00 | 4.00  | 16.2 | 5399.84 | 6.98  | -193.30 | 3986.95 | 6.98    | 92.78   | 2.00              | 16.2MTF |
|            | 5500.00 | 6.00  | 16.2 | 5499.45 | 15.69 | -184.93 | 3989.39 | 15.69   | 92.65   | 2.00              | 0.0     |
|            | 5600.00 | 8.00  | 16.2 | 5598.70 | 27.88 | -173.23 | 3992.80 | 27.88   | 92.48   | 2.00              | 0.0     |
|            | 5700.00 | 10.00 | 16.2 | 5697.47 | 43.52 | -158.21 | 3997.17 | 43.52   | 92.27   | 2.00              | 0.0     |
|            | 5800.00 | 12.00 | 16.2 | 5795.62 | 62.60 | -139.90 | 4002.51 | 62.60   | 92.00   | 2.00              | 0.0     |

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JRU #24\JRU #24\JRU #24\Rev 2

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| Station ID          | aw       | Incl  | Azim | TVD      | VSec    | S-IN    | E/-W    | Closure | at Azim | DLS       | TF    |
|---------------------|----------|-------|------|----------|---------|---------|---------|---------|---------|-----------|-------|
|                     | (ft)     | (°)   | (°)  | (ft)     | (ft)    | (ft)    | (tt)    | (tt)    | (。)     | (°/100ft) | (,)   |
|                     | 5900.00  | 14.00 | 16.2 | 5893.06  | 85.10   | -118.30 | 4008.80 | 85.10   | 91.69   | 2.00      | 0.0   |
|                     | 6000.00  | 16.00 | 16.2 | 5989.64  | 110.98  | -93,45  | 4016.04 | 110.98  | 91.33   | 2.00      | 0.0   |
| 6000' TVD           | 6010.78  | 16.22 | 16.2 | 6000.00  | 113.97  | -90.58  | 4016.88 | 113.97  | 91.29   | 2.00      | 0.0   |
|                     | 6100.00  | 18.00 | 16.2 | 6085.27  | 140.21  | -65.38  | 4024.22 | 140.21  | 90.93   | 2.00      | 0.0   |
| EOC #1 (2D-S)       | 6143.94  | 18.88 | 16.2 | 6126.95  | 154.11  | -52.04  | 4028.11 | 154.11  | 90.74   | 2.00      | 0.0   |
| KOP #2              | 10393.73 | 18.88 | 16.2 | 10148.13 | 1529.20 | 1268.16 | 4412.75 | 1529.20 | 73.97   | 00.0      | 0.0   |
|                     | 10400.00 | 19.00 | 16.2 | 10154.06 | 1531.24 | 1270.11 | 4413.32 | 1531.24 | 73.94   | 2.00      | 0.0   |
|                     | 10500.00 | 21.00 | 16.2 | 10248.02 | 1565.44 | 1302.95 | 4422.89 | 1565.44 | 73.59   | 2.00      | 0.0   |
|                     | 10600.00 | 23.00 | 16.2 | 10340.73 | 1602.91 | 1338.92 | 4433.37 | 1602.91 | 73.20   | 2.00      | 0.0   |
|                     | 10700.00 | 25.00 | 16.2 | 10432.08 | 1643.59 | 1377.98 | 4444.75 | 1643.59 | 72.78   | 2.00      | 0.0   |
|                     | 10800.00 | 27.00 | 16.2 | 10521.95 | 1687.43 | 1420.07 | 4457.01 | 1687.43 | 72.33   | 2.00      | 0.0   |
|                     | 10900.00 | 29.00 | 16.2 | 10610.24 | 1734.38 | 1465.15 | 4470.14 | 1734.38 | 71.85   | 2.00      | 0.0   |
|                     |          |       |      |          |         |         |         |         |         |           |       |
|                     | 11000.00 | 31.00 | 16.2 | 10696.83 | 1784.38 | 1513.15 | 4484.13 | 1784.38 | 71.35   | 2.00      | 0.0   |
|                     | 11100.00 | 33.00 | 16.2 | 10781.63 | 1837.38 | 1564.03 | 4498.95 | 1837.38 | 70.83   | 2.00      | 0.0   |
|                     | 11200.00 | 35.00 | 16.2 | 10864.52 | 1893.30 | 1617.72 | 4514.60 | 1893.30 | 70.29   | 2.00      | 0.0   |
| EOC JRU #24         | 11257.15 | 36.15 | 16.2 | 10911.00 | 1926.55 | 1649.64 | 4523.89 | 1926.55 | 69.97   | 2.00      | -90.0 |
|                     | 11300.00 | 36.15 | 16.2 | 10945.61 | 1951.83 | 1673.91 | 4530.97 | 1951.83 | 69.72   | 0.00      | 0.06- |
| Top 3rd Bone Spring | 11380.98 | 36.15 | 16.2 | 11011.00 | 1999.59 | 1719.77 | 4544.33 | 1999.59 | 69.27   | 0.00      | -90.0 |
|                     | 11400.00 | 36.15 | 16.2 | 11026.36 | 2010.81 | 1730.54 | 4547.47 | 2010.81 | 69.17   | 0.00      | -90.0 |
|                     | 11500.00 | 36.15 | 16.2 | 11107.11 | 2069.80 | 1787.17 | 4563.96 | 2069.80 | 68.62   | 00.0      | -90.0 |
| Top Wolfcamp        | 11537.02 | 36.15 | 16.2 | 11137.00 | 2091.63 | 1808.14 | 4570.07 | 2091.63 | 68.41   | 0.00      | -90.0 |
|                     | 11600.00 | 36.15 | 16.2 | 11187.86 | 2128.78 | 1843.81 | 4580.46 | 2128.78 | 68.07   | 00.0      | -90.0 |
|                     | 11700.00 | 36.15 | 16.2 | 11268.61 | 2187.77 | 1900.44 | 4596.96 | 2187.77 | 67.54   | 0.00      | 0.06- |
|                     | 11800.00 | 36.15 | 16.2 | 11349.36 | 2246.76 | 1957.07 | 4613.46 | 2246.76 | 67.01   | 00.0      | -90.0 |
| PBHL/TD JRU #24     | 11840.42 | 36.15 | 16.2 | 11382.00 | 2270.60 | 1980.00 | 4620.00 | 2270.60 | 66.80   | 0.00      | 0.0   |
|                     |          |       |      |          |         |         |         |         |         |           |       |

| _ |     |           |         |         |      |      |      |      | Selected) | r Model S | (No Erro | Survey Program: |
|---|-----|-----------|---------|---------|------|------|------|------|-----------|-----------|----------|-----------------|
|   | (,) | (°/100ft) | (,)     | (ft)    | (ft) | (ft) | (ft) | (ft) | (°)       | (。)       | (tt)     |                 |
|   | TF  | DLS       | at Azim | Closure | E/-W | S-/N | VSec |      | Azim      | Incl      | QW       | Station ID      |