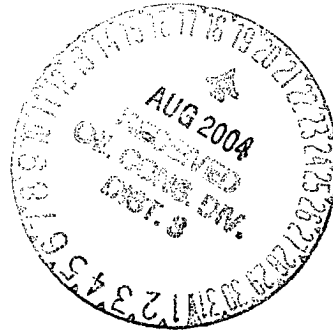


Nevis Energy Services, Inc.

11 August 2004

Ms. Allison Newcomb
Black Hills E&P
350 Indiana Street
Suite 400
Golden, Co 80401

Re: Mallon Oil Company
Jicarilla 29-03-11 #2
Rio Arriba Co., NM
Job #204-191
API No. 30039-26731



Dear Ms. Newcomb:

Nevis Energy Services has filed the Directional Surveys and lease plat for the above referenced well with the New Mexico Oil Conservation Division via Certified mail. Enclosed is a copy of the filing for your records.

Name & Title of Surveyor	Drainhole Number	Surveyed Depths		Dates Performed		Type of Survey
		From	To	Start	End	
Jeff Arenas	#4	3,650	7,397	21 Jun 04	02 Jul 04	MWD

Thank you for the opportunity to be of service. Please contact me if you have any questions or require additional information.

Sincerely,



Matthew K. Brown
Operations Coordinator

Surface : 2050/N 630/E
Begin lateral : 2028/N 653/E
End Lateral : 887 IN 1205/W

NEVIS ENERGY SERVICES INC. SURVEY DATA CERTIFICATION

NEVIS JOB NUMBER 204-191

OPERATOR BLACK HILLS E & P

WELL NAME JICARILLA 29-03-11 # 2

COUNTY & STATE

RIO ARRIBA, NM

API WELL NUMBER	300-39-26731
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VERT. SECT. DIRECTION	
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TIE-IN DATA						
MEASURED	VERTICAL			N-S	E-W	DATA
DEPTH	DEPTH	INCLIN	AZIMUTH	COORD	COORD	SOURCE
3,650 ft	3,649.7 ft	1.8	284.3	17.8	-19	GYRO DATA

FIRST	FIRST		
SURVEY	SURVEY		
DATE	DEPTH	INCLIN	AZIMUTH
22-Jun-04	3,710 ft	10.2	323.2

SURVEY INSTRUMENT
TYPE
Nevis EM/ Nevis Mud Pulse

LAST	LAST		
SURVEY	SURVEY		
DATE	DEPTH	INCLIN	AZIMUTH
2-Jul-04	7,362 ft	89.6	280.4

TO THE BEST OF MY KNOWLEDGE I
CERTIFY THIS SURVEY DATA TO BE
TRUE AND CORRECT.

PROJECTED	PROJECTED		
TD SURVEY	TD SURVEY		
DATE	DEPTH	INCLIN	AZIMUTH
2-Jul-04	7,367 ft	89.6	280.4

JEFF ARENAS

PRINT YOUR NAME ABOVE

SIGN YOUR NAME ABOVE

MAGNETIC DECLINATION OR GRID CONVERGENCE

TOTAL CORRECTION USED	10.36
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2-Jul-04

TODAY'S DATE

MWD SUPERVISOR 1 JEFF ARENAS

DIRECTIONAL DRILLER 1 RHETT HERBERT

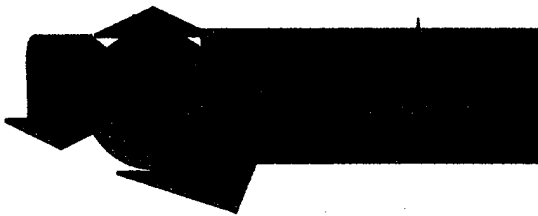
MWD SUPERVISOR 2 0

DIRECTIONAL DRILLER 2 DERECK COLLINS

1724-B Townhurst Dr

Houston, Texas 77043

(713) 827-8302



Nevis Energy Services, Inc.

RE: Mallon Oil Company (Operator)

Jicarilla 29-03-11 #2 (Well Name & No.)

Section 29 Twp. 03 N Range 11 W

Well File No. 300-39-26731

I, Matthew K. Brown, having personal knowledge of all the facts, hereby certify that the

attached directional surveys for the well run from measured depth of

3,650 feet to a measured depth of 7,397 feet,

respectively, are true and correct as determined from all available records.

Matthew K. Brown
Signature

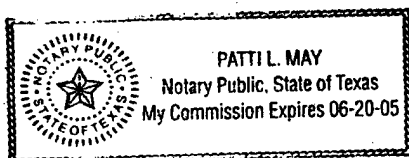
Operations Coord.
Title

Nevis Energy Services, Inc
Company

State of Texas
County of Harris

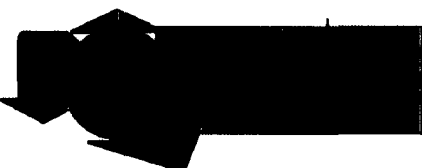
On this 11 day of August, 2004, before me personally appeared

Matthew K. Brown to me known as the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.



Patti May
Notary Public

06/20/05
My Commission Expires



1724-B Townhurst Dr, Houston, Tx 77043
(713) 827-8302
www.neviseenergy.com

Job Number: 204-191
Company: Black Hills E & P / Mallon Oil
Lease/Well: Jicarilla 29-03-11 # 2
Location: Rio Arriba Co., Tx.
Rig Name: Key Rig #44
RKB: 13'
G.L. or M.S.L.: API # 300-39-26731

State/Country: New Mexico / U.S.A.
Declination: 10.36° East
Grid: ☐
File name: C:\TEMP1~1\BLACKH~1\29-03-11.SVY
Date/Time: 11-Aug-04 / 15:13
Curve Name: Final Surveys

WINSERVE SURVEY CALCULATIONS
Minimum Curvature Method
Vertical Section Plane 289.21
Vertical Section Referenced to Wellhead
Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	CLOSURE		Dogleg Severity Deg/100
Distance FT	Direction Deg								
Tie In To Gyro Data Survey									
3650.00	1.80	284.30	3649.70	23.80	17.80	-19.00	26.04	313.13	.00
First Nevis MWD Survey									
3710.00	10.20	323.20	3709.33	29.15	22.30	-23.10	32.11	313.98	14.78
3720.00	14.80	313.30	3719.09	31.05	23.88	-24.56	34.26	314.19	50.58
3730.00	19.70	311.30	3728.64	33.78	25.87	-26.76	37.22	314.03	49.35
3741.00	25.00	312.30	3738.81	37.64	28.66	-29.88	41.40	313.81	48.30
3751.00	30.10	314.40	3747.67	41.86	31.84	-33.23	46.02	313.77	51.91
3761.00	35.30	315.80	3756.08	46.71	35.67	-37.04	51.42	313.92	52.54
3773.00	41.20	317.60	3765.50	53.30	41.08	-42.13	58.84	314.28	50.03
3783.00	46.10	319.90	3772.74	59.30	46.27	-46.67	65.72	314.75	51.50
3793.00	51.10	320.10	3779.35	65.74	52.01	-51.49	73.19	315.29	50.02
3804.00	56.60	320.10	3785.84	73.36	58.83	-57.19	82.04	315.81	50.00
3814.00	61.50	319.40	3790.98	80.74	65.37	-62.73	90.60	316.18	49.37
3824.00	66.10	318.70	3795.39	88.52	72.14	-68.61	99.56	316.44	46.43
3836.00	71.70	317.90	3799.71	98.30	80.50	-76.05	110.74	316.63	47.08
3846.00	76.40	316.70	3802.46	106.79	87.56	-82.57	120.35	316.68	48.39
3856.00	80.90	315.90	3804.42	115.51	94.65	-89.35	130.16	316.65	45.68
3867.00	85.80	315.20	3805.70	125.30	102.44	-96.99	141.08	316.56	44.99
3900.00	96.70	309.50	3804.98	155.58	124.63	-121.33	173.93	315.77	37.26
3931.00	101.50	303.60	3800.07	184.77	142.85	-145.89	204.18	314.40	24.35
3963.00	103.90	296.60	3793.03	215.40	158.50	-172.88	234.54	312.52	22.62
3994.00	105.90	289.20	3785.05	245.27	170.16	-200.45	262.93	310.33	23.95

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
4082.00	101.00	287.40	3764.59	330.82	197.01	-281.68	343.74	304.97	5.91
4144.00	98.20	287.40	3754.25	391.91	215.29	-340.01	402.44	302.34	4.52
4207.00	95.50	287.40	3746.73	454.43	233.99	-399.69	463.15	300.35	4.29
4269.00	93.80	289.10	3741.71	516.21	253.34	-458.37	523.73	298.93	3.87
4332.00	91.80	288.80	3738.63	579.13	273.78	-517.88	585.80	297.86	3.21
4395.00	91.70	288.50	3736.71	642.10	293.91	-577.55	648.03	296.97	.50
4427.00	89.90	288.50	3736.26	674.09	304.07	-607.89	679.70	296.57	5.62
4458.00	89.70	288.10	3736.37	705.09	313.80	-637.32	710.39	296.21	1.44
4490.00	89.70	288.50	3736.53	737.08	323.85	-667.70	742.10	295.87	1.25
4522.00	89.70	289.10	3736.70	769.08	334.16	-698.00	773.86	295.58	1.87
4553.00	89.90	289.50	3736.81	800.08	344.41	-727.25	804.68	295.34	1.44
4584.00	90.10	290.20	3736.81	831.08	354.93	-756.41	835.55	295.14	2.35
4616.00	90.30	290.90	3736.70	863.07	366.17	-786.37	867.45	294.97	2.27
4648.00	90.60	291.30	3736.45	895.05	377.69	-816.23	899.37	294.83	1.56
4679.00	91.00	291.60	3736.01	926.02	389.02	-845.08	930.32	294.72	1.61
4711.00	88.90	291.30	3736.04	958.00	400.72	-874.86	962.27	294.61	6.63
4742.00	89.00	291.30	3736.61	988.97	411.98	-903.74	993.21	294.51	.32
4773.00	88.90	291.60	3737.18	1019.94	423.31	-932.59	1024.16	294.41	1.02
4805.00	87.80	291.30	3738.10	1051.90	435.01	-962.36	1056.11	294.32	3.56
4836.00	88.20	291.30	3739.18	1082.86	446.27	-991.22	1087.05	294.24	1.29
4931.00	88.00	289.90	3742.33	1177.78	479.67	-1080.10	1181.82	293.95	1.49
4994.00	88.70	288.50	3744.15	1240.75	500.38	-1139.57	1244.58	293.71	2.48
5057.00	89.60	289.10	3745.08	1303.74	520.68	-1199.20	1307.36	293.47	1.72
5119.00	87.80	287.70	3746.49	1365.72	540.25	-1258.01	1369.10	293.24	3.68
5183.00	88.90	287.00	3748.33	1429.66	559.32	-1319.07	1432.75	292.98	2.04
5214.00	89.40	287.00	3748.79	1460.63	568.38	-1348.71	1463.59	292.85	1.61
5246.00	88.30	286.00	3749.43	1492.59	577.47	-1379.39	1495.39	292.72	4.65
5310.00	88.90	285.30	3751.00	1556.44	594.73	-1440.99	1558.90	292.43	1.44
5375.00	88.30	289.90	3752.58	1621.38	614.37	-1502.92	1623.64	292.23	7.13
5438.00	85.90	290.90	3755.77	1684.28	636.30	-1561.89	1686.52	292.17	4.13
5501.00	86.90	290.90	3759.73	1747.13	658.73	-1620.62	1749.38	292.12	1.59
5564.00	88.70	291.30	3762.15	1810.05	681.39	-1679.35	1812.33	292.08	2.93
5628.00	89.70	290.60	3763.04	1874.01	704.28	-1739.12	1876.31	292.05	1.91
5690.00	90.30	289.90	3763.04	1936.00	725.73	-1797.28	1938.28	291.99	1.49
5754.00	88.70	289.10	3763.60	1999.99	747.10	-1857.61	2002.21	291.91	2.80
5817.00	89.00	288.80	3764.86	2062.98	767.55	-1917.18	2065.12	291.82	.67
5880.00	88.70	288.10	3766.13	2125.96	787.48	-1976.93	2128.00	291.72	1.21
5943.00	88.20	287.40	3767.83	2188.92	806.68	-2036.91	2190.83	291.61	1.37
6006.00	87.30	287.00	3770.30	2251.83	825.30	-2097.04	2253.60	291.48	1.56
6070.00	86.40	287.40	3773.82	2315.69	844.20	-2158.09	2317.33	291.36	1.54
6132.00	88.20	287.70	3776.74	2377.59	862.87	-2217.13	2379.12	291.27	2.94
6195.00	87.60	287.00	3779.05	2440.52	881.64	-2277.23	2441.94	291.16	1.46
6290.00	87.80	285.60	3782.86	2535.32	908.28	-2368.33	2536.53	290.98	1.49

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	C L O S U R E		Dogleg Severity Deg/100
Distance FT	Direction Deg								
6384.00	88.00	284.90	3786.31	2629.03	932.99	-2458.96	2630.01	290.78	.77
6479.00	88.30	284.60	3789.37	2723.69	957.17	-2550.78	2724.46	290.57	.45
6573.00	89.20	284.60	3791.42	2817.36	980.86	-2641.72	2817.94	290.37	.96
6668.00	89.70	284.20	3792.34	2912.02	1004.48	-2733.74	2912.44	290.18	.67
6763.00	89.30	283.90	3793.17	3006.63	1027.54	-2825.89	3006.91	289.98	.53
6857.00	89.40	283.90	3794.23	3100.23	1050.12	-2917.13	3100.39	289.80	.11
6952.00	89.60	283.90	3795.06	3194.81	1072.94	-3009.35	3194.90	289.62	.21
7046.00	89.60	283.20	3795.72	3288.35	1094.97	-3100.73	3288.38	289.45	.74
7141.00	89.60	281.80	3796.38	3382.70	1115.53	-3193.47	3382.70	289.26	1.47
7236.00	89.40	280.70	3797.21	3476.78	1134.06	-3286.64	3476.79	289.04	1.18
7330.00	89.70	280.40	3797.95	3569.70	1151.27	-3379.05	3569.79	288.81	.45
Last Nevis MWD Survey									
7362.00	89.60	280.40	3798.14	3601.32	1157.05	-3410.52	3601.45	288.74	.31
TD Bit Projection									
7397.00	89.60	280.40	3798.39	3635.91	1163.36	-3444.94	3636.08	288.66	.00