

Aim Directional Services

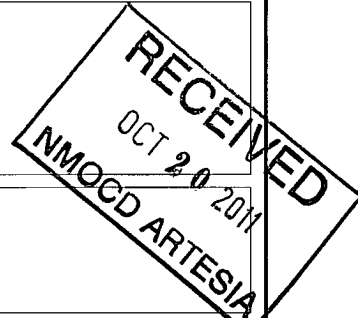
Survey Report

30-015-38962

Company: Nearburg Producing Company Field: Eddy County, New Mexico Site: Morris-Boyd 26 #1H Well: #1H Wellpath: Aim MWD Surveys	Date: 07/19/2011 Time: 08:29:16 Page: 1 Co-ordinate(NE) Reference: Well: #1H, Grid North Vertical (TVD) Reference: SITE 3456.0 Section (VS) Reference: Well: (0.00N, 0.00E, 0.08Azi) Survey Calculation Method: Minimum Curvature Db: Sybase
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Field: Eddy County, New Mexico	
Map System: US State Plane Coordinate System 1983 Geo Datum: GRS 1980 Sys Datum: Mean Sea Level	Map Zone: New Mexico, Eastern Zone Coordinate System: Well Centre Geomagnetic Model: WMM_2010

Site: Morris-Boyd 26 #1H	
Site Position: From: Map Position Uncertainty: 0.00 ft Ground Level: 3456.00 ft	Northing: 591138.50 ft Easting: 464547.90 ft Latitude: 32 37 29.420 N Longitude: 104 34 57.937 W North Reference: Grid Grid Convergence: -0.13 deg



Well: #1H Well Position: +N/-S 0 00 ft Position Uncertainty: 0.00 ft	Slot Name: Northing: 591138 50 ft Easting: 464547 90 ft Latitude: 32 37 29.420 N Longitude: 104 34 57.937 W
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Wellpath: Aim MWD Surveys Current Datum: SITE Magnetic Data: 07/05/2011 Field Strength: 48762 nT Vertical Section: Depth From (TVD) ft	Drilled From: Gyrodata Gyro Surveys Tie-on Depth: 1923 00 ft Above System Datum: Mean Sea Level Declination: 8.08 deg Mag Dip Angle: 60 37 deg +N/-S ft +E/-W ft Direction deg
0 00	0 00

Survey: Aim MWD Surveys Company: Aim Directional Services Tool:	Start Date: 07/05/2011 Engineer: Sabrina Harwood Tied-to: User Defined
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Survey: Aim MWD Surveys

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
1923.00	0.92	43.94	1922.62	33.03	11.54	33.05	0.00	0.00	0.00	Tie into Gyrodata Gyro Su
2001.00	2.70	207.20	2000.60	31.85	11.14	31.87	4.60	2.28	209.31	Pinpoint Survey
2095.00	3.60	235.20	2094.46	28.20	7.70	28.21	1.87	0.96	29.79	Pinpoint Survey
2130.00	3.70	235.20	2129.39	26.93	5.87	26.93	0.29	0.29	0.00	First Aim MWD Survey Take
2160.00	3.70	238.80	2159.33	25.87	4.25	25.88	0.77	0.00	12.00	
2192.00	3.00	261.40	2191.28	25.21	2.54	25.22	4.63	-2.19	70.62	
2223.00	3.90	305.40	2222.23	25.70	0.88	25.70	8.76	2.90	141.94	
2254.00	5.80	325.50	2253.12	27.60	-0.87	27.60	8.13	6.13	64.84	
2286.00	8.10	336.70	2284.88	31.01	-2.68	31.00	8.31	7.19	35.00	
2317.00	10.50	341.60	2315.47	35.69	-4.43	35.69	8.15	7.74	15.81	
2348.00	13.50	344.30	2345.79	41.86	-6.30	41.85	9.84	9.68	8.71	
2380.00	16.60	347.80	2376.69	49.92	-8.28	49.91	10.09	9.69	10.94	
2411.00	20.10	348.30	2406.11	59.47	-10.30	59.46	11.30	11.29	1.61	
2443.00	23.30	349.50	2435.84	71.08	-12.57	71.06	10.10	10.00	3.75	
2475.00	26.80	352.60	2464.82	84.46	-14.65	84.44	11.68	10.94	9.69	
2506.00	30.20	355.60	2492.06	99.17	-16.15	99.15	11.90	10.97	9.68	
2538.00	33.50	356.80	2519.24	116.02	-17.26	116.00	10.50	10.31	3.75	
2569.00	37.10	357.80	2544.54	133.91	-18.10	133.88	11.76	11.61	3.23	
2601.00	40.50	358.50	2569.47	153.95	-18.74	153.92	10.71	10.62	2.19	
2632.00	43.80	359.60	2592.45	174.74	-19.08	174.72	10.91	10.65	3.55	
2664.00	46.90	1.50	2614.94	197.50	-18.85	197.48	10.57	9.69	5.94	
2695.00	50.50	3.10	2635.40	220.77	-17.91	220.74	12.24	11.61	5.16	
2727.00	54.20	5.00	2654.94	246.03	-16.11	246.01	12.48	11.56	5.94	
2757.00	57.50	3.10	2671.78	270.79	-14.36	270.77	12.18	11.00	-6.33	

Aim Directional Services

Survey Report

Company: Nearburg Producing Company	Date: 07/19/2011	Time: 08:29:16	Page: 2
Field: Eddy County, New Mexico	Co-ordinate(N/E) Reference: Well #1H, Grid North		
Site: Morris-Boyd 26 #1H	Vertical (TVD) Reference: SITE 3456.0'		
Well: #1H	Section (VS) Reference: Well (0.00N,0.00E,0.08Azi)		
Wellpath: Aim MWD Surveys	Survey Calculation Method: Minimum Curvature	Db: Sybase	

Survey: Aim MWD Surveys

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
2789.00	60.20	2 10	2688.34	298.15	-13.12	298.13	8.85	8.44	-3.12	
2820.00	62.90	359.90	2703.10	325.40	-12.65	325.38	10.71	8.71	-7.10	
2850.00	65.90	359.10	2716.06	352.45	-12.89	352.43	10.29	10.00	-2.67	
2882.00	69.70	358.70	2728.15	382.06	-13.46	382.05	11.93	11.87	-1.25	
2912.00	73.20	358.70	2737.70	410.49	-14.11	410.47	11.67	11.67	0.00	
2944.00	77.20	359.50	2745.87	441.42	-14.59	441.40	12.73	12.50	2.50	
2976.00	81.00	1.10	2751.92	472.84	-14.42	472.82	12.85	11.87	5.00	
3007.00	84.30	2.80	2755.88	503.56	-13.38	503.54	11.95	10.65	5.48	
3057.00	89.10	5.80	2758.76	553.32	-9.63	553.30	11.31	9.60	6.00	
3088.00	89.50	4.30	2759.14	584.19	-6.90	584.18	5.01	1.29	-4.84	
3181.00	90.90	4.40	2758.82	676.92	0.15	676.92	1.51	1.51	0.11	
3273.00	91.30	3.60	2757.05	768.68	6.57	768.69	0.97	0.43	-0.87	
3365.00	90.60	0.00	2755.52	860.61	9.46	860.62	3.99	-0.76	-3.91	
3458.00	89.80	0.00	2755.20	953.60	9.46	953.62	0.86	-0.86	0.00	
3551.00	90.40	359.00	2755.04	1046.60	8.64	1046.61	1.25	0.65	-1.08	
3643.00	89.70	358.80	2754.96	1138.58	6.88	1138.59	0.79	-0.76	-0.22	
3736.00	89.80	359.70	2755.36	1231.57	5.66	1231.58	0.97	0.11	0.97	
3829.00	90.10	359.60	2755.44	1324.57	5.09	1324.58	0.34	0.32	-0.11	
3923.00	90.50	359.90	2754.95	1418.57	4.68	1418.57	0.53	0.43	0.32	
4017.00	90.20	0.00	2754.38	1512.57	4.60	1512.57	0.34	-0.32	0.11	
4110.00	91.20	359.60	2753.24	1605.56	4.28	1605.56	1.16	1.08	-0.43	
4204.00	90.10	0.90	2752.18	1699.55	4.69	1699.55	1.81	-1.17	1.38	
4299.00	89.00	0.50	2752.92	1794.53	5.85	1794.54	1.23	-1.16	-0.42	
4394.00	89.20	359.90	2754.41	1889.52	6.18	1889.53	0.67	0.21	-0.63	
4489.00	89.30	0.00	2755.66	1984.51	6.09	1984.52	0.15	0.11	0.11	
4582.00	89.50	0.00	2756.63	2077.51	6.09	2077.51	0.22	0.22	0.00	
4677.00	89.60	0.10	2757.38	2172.51	6.18	2172.51	0.15	0.11	0.11	
4771.00	89.80	1.10	2757.87	2266.50	7.16	2266.51	1.08	0.21	1.06	
4865.00	89.90	0.20	2758.12	2360.49	8.23	2360.50	0.96	0.11	-0.96	
4961.00	90.00	359.10	2758.20	2456.49	7.64	2456.50	1.15	0.10	-1.15	
5055.00	90.20	357.80	2758.04	2550.45	5.10	2550.45	1.40	0.21	-1.38	
5149.00	90.20	0.10	2757.71	2644.43	3.38	2644.43	2.45	0.00	2.45	
5229.00	90.50	0.20	2757.22	2724.43	3.59	2724.43	0.40	0.37	0.12	
5322.00	90.80	359.00	2756.16	2817.42	2.94	2817.42	1.33	0.32	-1.29	
5413.00	89.80	0.00	2755.69	2908.41	2.14	2908.41	1.55	-1.10	1.10	
5506.00	89.60	359.50	2756.17	3001.41	1.74	3001.41	0.58	-0.22	-0.54	
5599.00	89.90	0.50	2756.58	3094.40	1.74	3094.40	1.12	0.32	1.08	
5691.00	90.20	0.70	2756.50	3186.40	2.70	3186.40	0.39	0.33	0.22	
5784.00	90.70	359.30	2755.77	3279.39	2.70	3279.39	1.60	0.54	-1.51	
5877.00	90.30	1.40	2754.96	3372.38	3.27	3372.38	2.30	-0.43	2.26	
5970.00	90.50	1.50	2754.31	3465.35	5.62	3465.36	0.24	0.22	0.11	
6067.00	90.00	0.50	2753.88	3562.33	7.31	3562.34	1.15	-0.52	-1.03	
6162.00	89.40	0.10	2754.38	3657.33	7.81	3657.34	0.76	-0.63	-0.42	
6256.00	90.00	0.10	2754.87	3751.33	7.98	3751.34	0.64	0.64	0.00	
6351.00	90.20	359.90	2754.71	3846.33	7.98	3846.34	0.30	0.21	-0.21	
6445.00	90.30	359.10	2754.30	3940.32	7.16	3940.33	0.86	0.11	-0.85	
6541.00	90.60	358.30	2753.54	4036.29	4.98	4036.30	0.89	0.31	-0.83	
6636.00	90.80	359.10	2752.38	4131.26	2.82	4131.26	0.87	0.21	0.84	
6728.00	90.70	358.80	2751.18	4223.24	1.14	4223.24	0.34	-0.11	-0.33	
6823.00	89.10	359.30	2751.35	4318.22	-0.44	4318.22	1.76	-1.68	0.53	
6917.00	89.50	359.60	2752.49	4412.21	-1.34	4412.20	0.53	0.43	0.32	
7012.00	89.40	1.50	2753.41	4507.20	-0.43	4507.19	2.00	-0.11	2.00	
7104.00	89.90	0.80	2753.97	4599.18	1.42	4599.17	0.94	0.54	-0.76	Last MWD Survey Taken

Aim Directional Services

Survey Report

Company:	Nearburg Producing Company	Date:	07/19/2011	Time:	08:29:16	Page:	3
Field:	Eddy County, New Mexico	Co-ordinate(NE) Reference:	Well #1H, Grid North				
Site:	Morris-Boyd-26 #1H	Vertical (TVD) Reference:	SITE 3456.0				
Well:	#1H	Section (VS) Reference:	Well (0.00N,0.00E;0.08Azi)				
Wellpath:	Aim MWD Surveys	Survey Calculation Method:	Minimum Curvature				Db: Sybase

Survey: Aim MWD Surveys

MD ft	Incl deg	Azim deg	TVD ft	+N-S ft	+E-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
7190.00	89.90	0.80	2754.12	4685.17	2.62	4685.17	0.00	0.00	0.00	Projection to TD

Annotation

MD ft	TVD ft	
1923.00	1922.62	Tie into Gyrodata Gyro Surveys
2001.00	2000.60	Pinpoint Survey
2095.00	2094.46	Pinpoint Survey
2130.00	2129.39	First Aim MWD Survey Taken
7104.00	2753.97	Last MWD Survey Taken
7190.00	2754.12	Projection to TD

Aim

Directional Services, LLC

OCT 14 2011

· Directional Drilling

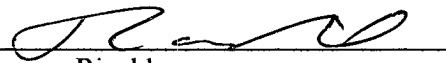
· Horizontal Drilling

· MWD/LWD

· Mud Motors

State of New Mexico
County of Eddy

I, Thomas Rinald, certify that; I am employed by Aim Directional Services, LLC; that I did on the day(s) of July 2, 2011 through July 18, 2011 conduct or supervise the taking of a directional MWD survey from a depth of 2001 feet to a depth of 7190 feet; that the data is true, correct, complete and within the limitations of the tool as set forth by Aim Directional Services, LLC; that I am authorized and qualified to make this report; that this survey was conducted at the request of Nearburg Producing for Morris-Boyd 26 #1H in Eddy County, New Mexico; and that I have reviewed this report and find that it conforms to the principles and procedures as set forth by Aim Directional Services, LLC.


Thomas Rinald
VP Operations