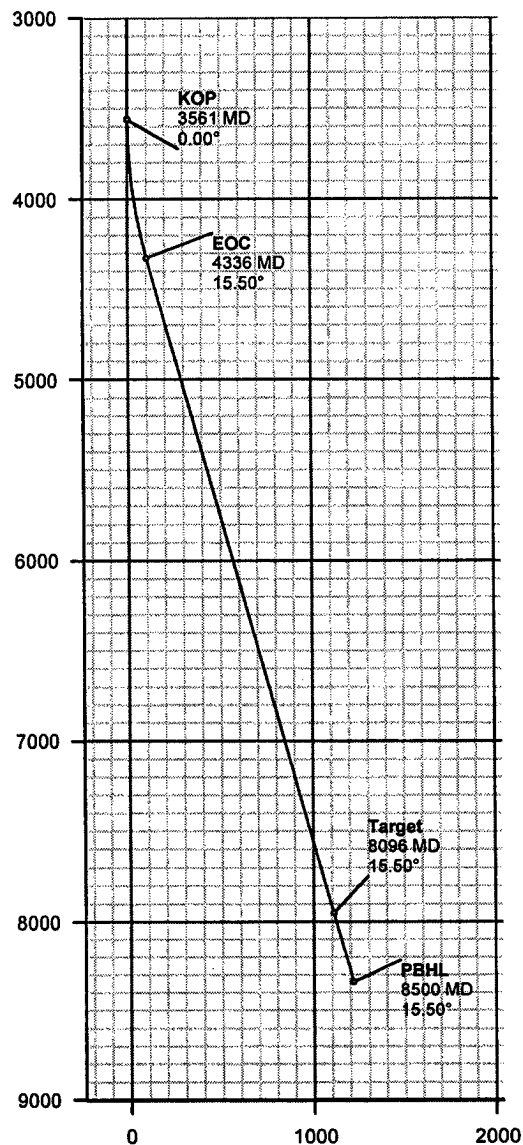


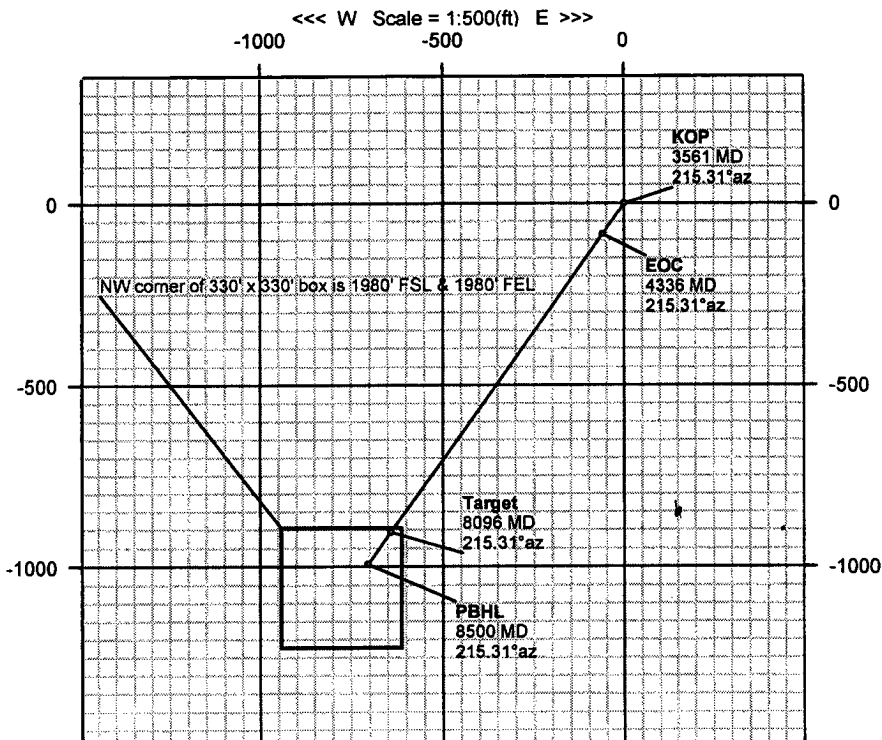
Nearburg Producing Company

RECEIVED
SEP - 7 2005

WELL	US 13 Federal #3	FIELD	Eddy County, NM	STRUCTURE	US 13 Federal #3
Magnetic Parameters Mod: KGRF 2005 Dip: 60.325° Date: August 23, 2005 Mag Dec: +6.671° FS: 49234.4 nT Surface Location Lat: N32 23 29.558 Long: W104 28 46.844 Northing: 506176.80 RUS Easting: 485133.60 RUS NAD27 New Mexico State Plane, Eastern Zone, US Feet Grid Conv: -0.00051125° Scale Fact: 0.9999104832 Miscellaneous Slot: US 13 Federal #3 Plan: US 13 Fed #3 -2 TVD Ref: RKB (0.00 ft above) Srvy Date: Thu 12:28 PM September 01, 2005					



Departure (ft) Azim = 215.31°, Scale = 1:1000 Origin = 0 N/-S, 0 E/-W



INTREPID
Directional Drilling Specialists



Proposal



Report Date: September 1, 2005	Survey / DLS Computation Method: Minimum Curvature / Lubinski
Client: Nearburg Producing Company	Vertical Section Azimuth: 215.310°
Field: Eddy County, NM	Vertical Section Origin: N 0.000 ft, E 0.000 ft
Structure / Slot: US 13 Federal #3 / US 13 Federal #3	TVD Reference Datum: RKB
Well: US 13 Federal #3	TVD Reference Elevation: 0.0 ft relative to
Borehole: US 13 Federal #3	Sea Bed / Ground Level Elevation: 0.000 ft relative to
UWI/API#:	Magnetic Declination: 8.671°
Survey Name / Date: US 13 Fed #3_r2 / September 1, 2005	Total Field Strength: 49234.372 nT
Tort / AHD / DDI / ERD ratio: 15.500° / 1216.93 ft / 4.284 / 0.146	Magnetic Dip: 60.325°
Grid Coordinate System: NAD27 New Mexico State Planes, Eastern Zone, US Feet	Declination Date: August 23, 2005
Location Lat/Long: N 32 23 29.558, W 104 26 46.644	Magnetic Declination Model: IGRF 2005
Location Grid N/E Y/X: N 506176.800 ftUS, E 465133.600 ftUS	North Reference: Grid North
Grid Convergence Angle: -0.06051125°	Total Corr Mag North -> Grid North: +8.732°
Grid Scale Factor: 0.99991048	Local Coordinates Referenced To: Well Head

Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)	Tool Face (deg)
Tie-In	0.00	0.00	215.31	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-144.69M
KOP	3561.15	0.00	215.31	3561.15	0.00	0.00	0.00	0.00	0.00	0.00	-144.69M
	3600.00	0.78	215.31	3600.00	0.26	-0.21	-0.15	0.26	215.31	2.00	-144.69M
	3700.00	2.78	215.31	3699.95	3.36	-2.75	-1.94	3.36	215.31	2.00	-144.69M
	3800.00	4.78	215.31	3799.72	9.95	-8.12	-5.75	9.95	215.31	2.00	-144.69M
	3900.00	6.78	215.31	3899.21	20.02	-16.33	-11.57	20.02	215.31	2.00	0.00G
	4000.00	8.78	215.31	3998.29	33.55	-27.38	-19.39	33.55	215.31	2.00	0.00G
	4100.00	10.78	215.31	4096.83	50.53	-41.23	-29.20	50.53	215.31	2.00	0.00G
	4200.00	12.78	215.31	4194.72	70.94	-57.89	-41.00	70.94	215.31	2.00	0.00G
	4300.00	14.78	215.31	4291.84	94.75	-77.32	-54.76	94.75	215.31	2.00	0.00G
EOC	4336.15	15.50	215.31	4326.74	104.19	-85.02	-60.22	104.19	215.31	2.00	0.00G
Target	8096.17	15.50	215.31	7950.00	1109.01	-905.00	-641.00	1109.01	215.31	0.00	0.00G
PBHL	8500.00	15.50	215.31	8339.14	1216.93	-993.07	-703.38	1216.93	215.31	0.00	0.00G