



PHOENIX
TECHNOLOGY SERVICES

JUL 30 2014

July 23, 2014

Nadel & Gussman Permian, L.L.C.
Attention: Regulatory Department
601 N. Marienfield, Suite 508
Midland, TX 79701

3001542187

Re: Nadel & Gussman Permian, L.L.C.
Kyle 34 Federal 2H
Eddy County, NM
API #30-015-42187
Job No. 1410986

Dear Regulatory Department;

Phoenix Technology Services, Inc. has filed the Survey Data Certification, Surveys, and Lease Plat for the above referenced well with the State of New Mexico Oil Conservation Division – District 2 via certified mail. A copy of the filing is attached for your records.

Name of Surveyor	Drain Hole Number	Surveyed Depths		Dates Performed		Type of Survey
		From	To	Start	End	
Bernard Caldwell	2H	558	12,811	06/15/14	07/03/14	MWD

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

Best Regards,

Dana Robinson

Dana Robinson
Operations Administrator

Phoenix Technology Services SURVEY DATA CERTIFICATION



PHOENIX JOB NUMBER 1410986

OPERATOR Nadel & Gussman Permian, LLC

WELL NAME Kyle 34 Federal 2H

COUNTY & STATE

Eddy County, NM

API WELL NUMBER 30-015-42187

PROPOSED DIRECTION 0.05

TIE-IN DATA						
MEASURED	VERTICAL			N-S	E-W	DATA
DEPTH	DEPTH	INCLIN	AZIMUTH	COORD	COORD	SOURCE
525 ft	524.79 ft	2.87	284.86	-0.12	-11.98 ft	VES GYRO

FIRST	FIRST		
SURVEY	SURVEY		
DATE	DEPTH	INCLIN	AZIMUTH
15-Jun-14	558 ft	2.8	293.3

SURVEY INSTRUMENT
TYPE
Phoenix MWD

LAST	LAST		
SURVEY	SURVEY		
DATE	DEPTH	INCLIN	AZIMUTH
3-Jul-14	12,811 ft	88.4	358.6

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
3-Jul-14	12,875 ft	88.4	358.6

Bernard Caldwell

PRINT YOUR NAME ABOVE

B.Caldwell

SIGN YOUR NAME ABOVE

MAGNETIC DECLINATION OR TOTAL GRID

TOTAL CORRECTION USED	7.32
DECLINATION OR GRID	GRID

7/4/2014

TODAY'S DATE

MWD SUPERVISOR 1 Bernard Caldwell

DIRECTIONAL DRILLER 1

George Woodgate

MWD SUPERVISOR 2 Jon Dunlop

DIRECTIONAL DRILLER 2

Zack Johnson

1805 Brittmore Road

Houston, Texas 77043

(713)3370609 (Voice); (713)337-0599 (Fax)

Nadel and Gussman Permian, LLC

Eddy County, New Mexico (NAD27)

Kyle 34 Federal

2H

Wellbore #1 Job #1410986

Survey: Phoenix MWD Surveys

Standard Survey Report

04 July, 2014



Phoenix Technology Services
Survey Report



Company: Nadel and Gussman Permian, LLC
Project: Eddy County, New Mexico (NAD27)
Site: Kyle 34 Federal
Well: 2H
Wellbore: Wellbore #1 Job #1410986
Design: Surveys (Patriot 5)

Local Co-ordinate Reference: Well 2H
TVD Reference: WELL @ 3021.50usft (Patriot 5)
MD Reference: WELL @ 3021.50usft (Patriot 5)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: GCR DB

Project	Eddy County, New Mexico (NAD27)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Kyle 34 Federal				
Site Position:		Northing:	424,669.90 usft	Latitude:	32° 10' 2.22727 N
From: Map		Easting:	577,690.20 usft	Longitude:	104° 4' 56.13216 W
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "	Grid Convergence:	0.13 °

Well	2H					
Well Position	+N/-S	0.00 usft	Northing:	424,669.90 usft	Latitude:	32° 10' 2.22727 N
	+E/-W	0.00 usft	Easting:	577,690.20 usft	Longitude:	104° 4' 56.13216 W
Position Uncertainty	0.00 usft		Wellhead Elevation:	0.00 usft	Ground Level:	2,998.00 usft

Wellbore	Wellbore #1 Job #1410986				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010_14	06/05/14	7.45	59.97	48,233

Design	Surveys (Patriot 5)				
Audit Notes:					
Version:	1.0	Phase:	ACTUAL	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)	
	0.00	0.00	0.00		0.05

Survey Program	Date 07/04/14				
From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description	
25.00	525.00	VES Gyro Surveys (Wellbore #1 Job #141	NS-GYRO-MS	North sensing gyrocompassing m/s	
558.00	12,875.00	Phoenix MWD Surveys (Wellbore #1 Job #	PHX+MWD+IGRF	PHX+MWD+IGRF v3:standard declination	

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
525.00	2.87	284.86	524.79	-0.12	-11.99	-0.13	0.00	0.00	0.00
Tie-in to VES Gyro									
558.00	2.80	293.30	557.75	0.41	-13.53	0.40	1.28	-0.21	25.58
First Phoenix Survey									
587.00	2.30	306.00	586.72	1.03	-14.65	1.02	2.59	-1.72	43.79
616.00	2.30	302.40	615.70	1.68	-15.61	1.67	0.50	0.00	-12.41
646.00	2.10	309.00	645.68	2.35	-16.55	2.34	1.07	-0.67	22.00
676.00	1.80	310.90	675.66	3.01	-17.33	2.99	1.02	-1.00	6.33
709.00	1.00	300.50	708.65	3.49	-17.97	3.48	2.53	-2.42	-31.52

Phoenix Technology Services

Survey Report



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Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
741.00	0.70	298.70	740.64	3.73	-18.38	3.71	0.94	-0.94	-5.63
836.00	1.00	164.50	835.64	3.21	-18.67	3.19	1.65	0.32	-141.26
931.00	1.00	155.50	930.63	1.65	-18.10	1.64	0.17	0.00	-9.47
1,027.00	1.80	155.80	1,026.60	-0.48	-17.14	-0.50	0.83	0.83	0.31
1,122.00	2.10	159.00	1,121.54	-3.47	-15.90	-3.48	0.34	0.32	3.37
1,218.00	2.10	161.80	1,217.48	-6.78	-14.72	-6.79	0.11	0.00	2.92
1,313.00	2.50	169.90	1,312.40	-10.48	-13.82	-10.49	0.54	0.42	8.53
1,408.00	2.70	167.30	1,407.30	-14.70	-12.96	-14.71	0.24	0.21	-2.74
1,503.00	1.90	144.10	1,502.23	-18.16	-11.55	-18.17	1.28	-0.84	-24.42
1,598.00	1.40	136.10	1,597.19	-20.27	-9.82	-20.28	0.56	-0.53	-8.42
1,693.00	1.50	145.30	1,692.16	-22.13	-8.31	-22.13	0.27	0.11	9.68
1,788.00	1.30	145.80	1,787.13	-24.04	-6.99	-24.05	0.21	-0.21	0.53
1,883.00	1.90	130.20	1,882.09	-25.95	-5.18	-25.95	0.77	0.63	-16.42
1,979.00	2.50	121.10	1,978.02	-28.06	-2.17	-28.06	0.72	0.63	-9.48
2,074.00	3.10	110.10	2,072.91	-30.01	2.01	-30.01	0.85	0.63	-11.58
2,169.00	3.70	104.50	2,167.74	-31.66	7.39	-31.66	0.72	0.63	-5.89
2,264.00	3.50	104.50	2,262.55	-33.15	13.17	-33.14	0.21	-0.21	0.00
2,359.00	3.80	109.20	2,357.36	-34.92	18.95	-34.90	0.45	0.32	4.95
2,455.00	2.00	107.50	2,453.23	-36.47	23.55	-36.45	1.88	-1.88	-1.77
2,477.00	1.90	105.90	2,475.22	-36.68	24.27	-36.66	0.52	-0.45	-7.27
2,542.00	1.60	98.80	2,540.19	-37.12	26.20	-37.09	0.57	-0.46	-10.92
2,620.00	1.60	121.60	2,618.16	-37.85	28.20	-37.83	0.81	0.00	29.23
2,715.00	2.70	148.20	2,713.09	-40.45	30.51	-40.42	1.53	1.16	28.00
2,810.00	2.90	172.30	2,807.98	-44.73	32.01	-44.71	1.25	0.21	25.37
2,905.00	1.80	195.90	2,902.91	-48.55	31.93	-48.52	1.52	-1.16	24.84
3,000.00	1.60	195.10	2,997.86	-51.26	31.17	-51.24	0.21	-0.21	-0.84
3,095.00	1.50	174.60	3,092.83	-53.78	30.94	-53.76	0.59	-0.11	-21.58
3,191.00	1.60	170.90	3,188.79	-56.36	31.27	-56.33	0.15	0.10	-3.85
3,286.00	1.60	174.60	3,283.76	-58.99	31.61	-58.96	0.11	0.00	3.69
3,381.00	1.50	179.70	3,378.72	-61.55	31.74	-61.53	0.18	-0.11	5.37
3,477.00	1.40	185.90	3,474.69	-63.97	31.63	-63.95	0.19	-0.10	6.46
3,572.00	1.20	186.10	3,569.67	-66.12	31.40	-66.09	0.21	-0.21	0.21
3,667.00	1.50	184.50	3,664.64	-68.35	31.20	-68.32	0.32	0.32	-1.68
3,762.00	2.10	171.10	3,759.59	-71.31	31.37	-71.28	0.77	0.63	-14.11
3,857.00	2.20	170.30	3,854.53	-74.82	31.95	-74.80	0.11	0.11	-0.84
3,952.00	2.10	170.40	3,949.46	-78.34	32.54	-78.31	0.11	-0.11	0.11
4,048.00	2.10	174.70	4,045.40	-81.82	33.00	-81.80	0.16	0.00	4.48
4,143.00	2.10	177.60	4,140.33	-85.29	33.23	-85.27	0.11	0.00	3.05
4,238.00	2.50	169.90	4,235.26	-89.07	33.67	-89.05	0.53	0.42	-8.11
4,333.00	2.60	168.30	4,330.16	-93.22	34.47	-93.19	0.13	0.11	-1.68
4,429.00	3.00	184.50	4,426.05	-97.86	34.71	-97.83	0.92	0.42	16.88
4,524.00	3.00	185.60	4,520.92	-102.81	34.28	-102.78	0.06	0.00	1.16
4,619.00	3.00	186.50	4,615.79	-107.76	33.75	-107.73	0.05	0.00	0.95

Phoenix Technology Services

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4,714.00	2.80	192.50	4,710.67	-112.49	32.97	-112.46	0.38	-0.21	6.32
4,809.00	2.70	199.30	4,805.56	-116.87	31.73	-116.84	0.36	-0.11	7.16
4,904.00	2.50	198.70	4,900.46	-120.94	30.32	-120.92	0.21	-0.21	-0.63
4,999.00	2.60	203.10	4,995.37	-124.89	28.81	-124.86	0.23	0.11	4.63
5,094.00	2.40	203.00	5,090.27	-128.70	27.19	-128.68	0.21	-0.21	-0.11
5,190.00	1.80	219.50	5,186.21	-131.71	25.45	-131.69	0.88	-0.53	17.19
5,285.00	1.60	230.40	5,281.17	-133.71	23.48	-133.69	0.40	-0.21	11.47
5,380.00	1.50	242.90	5,376.13	-135.12	21.35	-135.11	0.37	-0.11	13.16
5,476.00	0.50	258.90	5,472.12	-135.78	19.82	-135.76	1.07	-1.04	16.67
5,569.00	0.00	316.60	5,565.12	-135.85	19.42	-135.84	0.54	-0.54	0.00
5,663.00	0.20	221.90	5,659.12	-135.98	19.31	-135.96	0.21	0.21	0.00
5,758.00	0.20	225.10	5,754.12	-136.22	19.08	-136.20	0.01	0.00	3.37
5,853.00	0.20	219.10	5,849.12	-136.46	18.66	-136.45	0.02	0.00	-6.32
5,949.00	0.20	177.40	5,945.12	-136.76	18.76	-136.74	0.15	0.00	-43.44
6,044.00	0.50	199.20	6,040.11	-137.32	18.63	-137.30	0.34	0.32	22.95
6,139.00	0.50	205.00	6,135.11	-138.08	18.32	-138.07	0.05	0.00	6.11
6,234.00	0.70	244.70	6,230.11	-138.71	17.62	-138.69	0.47	0.21	41.79
6,330.00	1.30	154.10	6,326.09	-139.94	17.57	-139.92	1.54	0.63	-94.38
6,425.00	2.50	146.70	6,421.04	-142.64	19.17	-142.62	1.29	1.26	-7.79
6,520.00	1.60	160.90	6,515.98	-145.62	20.75	-145.61	1.08	-0.95	14.95
6,615.00	1.40	160.90	6,610.95	-147.97	21.56	-147.96	0.21	-0.21	0.00
6,710.00	1.60	175.20	6,705.92	-150.39	22.05	-150.37	0.45	0.21	15.05
6,805.00	1.40	193.70	6,800.88	-152.84	21.89	-152.82	0.55	-0.21	19.47
6,900.00	1.20	220.10	6,895.86	-154.73	20.97	-154.71	0.66	-0.21	27.79
6,995.00	1.60	241.60	6,990.83	-156.12	19.16	-156.11	0.69	0.42	22.63
7,090.00	1.50	265.20	7,085.80	-156.86	16.76	-156.84	0.68	-0.11	24.84
7,185.00	0.40	259.30	7,180.78	-157.02	15.19	-157.01	1.16	-1.16	-6.21
7,280.00	0.30	170.60	7,275.78	-157.33	14.91	-157.32	0.52	-0.11	-93.37
7,355.00	0.80	160.80	7,350.78	-158.02	15.11	-158.00	0.68	0.67	-13.07
7,450.00	1.00	157.90	7,445.77	-159.41	15.64	-159.40	0.22	0.21	-3.05
7,545.00	1.20	144.30	7,540.75	-160.99	16.53	-160.97	0.34	0.21	-14.32
7,641.00	2.10	136.60	7,636.71	-163.08	18.33	-163.07	0.96	0.94	-8.02
7,672.00	1.80	70.40	7,667.69	-163.33	19.18	-163.32	6.92	-0.97	-213.55
7,704.00	4.70	22.40	7,699.64	-161.95	20.15	-161.93	11.69	9.06	-150.00
7,735.00	8.20	12.40	7,730.44	-158.62	21.11	-158.60	11.82	11.29	-32.26
7,766.00	12.70	8.30	7,760.92	-153.08	22.08	-153.06	14.70	14.52	-13.23
7,796.00	13.80	8.40	7,790.12	-146.28	23.08	-146.26	3.67	3.67	0.33
7,828.00	16.50	13.50	7,821.01	-138.08	24.70	-138.06	9.40	8.44	15.94
7,860.00	19.40	14.50	7,851.45	-128.52	27.09	-128.49	9.11	9.06	3.13
7,892.00	22.40	13.40	7,861.34	-117.44	29.83	-117.41	9.45	9.38	-3.44
7,923.00	25.10	13.70	7,909.71	-105.30	32.76	-105.27	8.72	8.71	0.97
7,955.00	26.30	12.10	7,939.55	-91.77	35.85	-91.75	4.33	3.75	-5.00
7,987.00	26.40	8.70	7,967.22	-77.81	38.41	-77.78	4.73	0.31	-10.63
8,019.00	28.50	4.40	7,995.62	-63.16	40.08	-63.13	9.02	6.56	-13.44

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8,050.00	32.00	5.80	8,022.40	-47.61	41.47	-47.58	11.52	11.29	4.52
8,082.00	34.80	5.90	8,049.11	-30.09	43.27	-30.05	8.75	8.75	0.31
8,114.00	37.20	4.90	8,075.00	-11.37	45.04	-11.33	7.72	7.50	-3.13
8,145.00	40.80	1.70	8,099.09	8.10	46.14	8.14	13.30	11.61	-10.32
8,177.00	44.60	358.60	8,122.60	29.80	46.17	29.83	13.57	11.88	-9.69
8,209.00	48.80	356.90	8,144.54	53.06	45.25	53.10	13.68	13.13	-5.31
8,241.00	53.90	356.00	8,164.52	77.99	43.69	78.03	16.09	15.94	-2.81
8,273.00	58.40	356.60	8,182.34	104.51	41.98	104.54	14.15	14.06	1.88
8,304.00	63.30	356.70	8,197.44	131.53	40.40	131.56	15.81	15.81	0.32
8,336.00	68.90	356.20	8,210.40	160.71	38.59	160.75	17.56	17.50	-1.56
8,368.00	73.90	355.90	8,220.60	190.96	36.50	190.99	15.65	15.63	-0.94
8,399.00	77.70	356.20	8,228.20	220.94	34.43	220.96	12.29	12.26	0.97
8,431.00	80.50	357.00	8,234.26	252.30	32.57	252.33	9.09	8.75	2.50
8,463.00	81.30	357.20	8,239.32	283.86	30.97	283.88	2.58	2.50	0.63
8,495.00	82.30	357.70	8,243.88	315.50	29.56	315.52	3.49	3.13	1.56
8,527.00	85.20	358.30	8,247.36	347.28	28.45	347.31	9.25	9.06	1.88
8,562.00	88.10	357.80	8,249.41	382.20	27.26	382.22	8.41	8.29	-1.43
8,593.00	89.70	357.50	8,250.00	413.17	25.99	413.19	5.25	5.16	-0.97
8,625.00	90.00	357.80	8,250.09	445.14	24.68	445.16	1.33	0.94	0.94
8,657.00	89.80	358.90	8,250.14	477.13	23.76	477.15	3.49	-0.63	3.44
8,752.00	89.10	359.80	8,251.06	572.12	22.68	572.13	1.20	-0.74	0.95
8,847.00	88.50	1.00	8,253.05	667.09	23.34	667.11	1.41	-0.63	1.26
8,942.00	88.90	0.90	8,255.20	762.05	24.92	762.07	0.43	0.42	-0.11
9,037.00	88.30	1.70	8,257.52	857.00	27.07	857.02	1.05	-0.63	0.84
9,133.00	89.00	1.00	8,259.78	952.94	29.33	952.97	1.03	0.73	-0.73
9,228.00	88.50	0.40	8,261.86	1,047.91	30.49	1,047.94	0.82	-0.53	-0.63
9,323.00	89.10	0.20	8,263.85	1,142.89	30.99	1,142.92	0.67	0.63	-0.21
9,418.00	89.30	359.80	8,265.17	1,237.88	30.99	1,237.91	0.47	0.21	-0.42
9,514.00	90.00	359.20	8,265.76	1,333.87	30.15	1,333.90	0.96	0.73	-0.63
9,609.00	91.60	358.70	8,264.43	1,428.85	28.41	1,428.87	1.76	1.68	-0.53
9,704.00	92.80	358.60	8,260.78	1,523.75	26.17	1,523.77	1.27	1.26	-0.11
9,799.00	91.70	0.10	8,257.06	1,618.66	25.10	1,618.68	1.96	-1.16	1.58
9,895.00	91.80	359.50	8,254.12	1,714.62	24.76	1,714.64	0.63	0.10	-0.63
9,990.00	92.40	359.30	8,250.64	1,809.55	23.77	1,809.57	0.67	0.63	-0.21
10,085.00	90.20	0.10	8,248.48	1,904.52	23.27	1,904.54	2.46	-2.32	0.84
10,180.00	90.00	359.40	8,248.32	1,999.52	22.86	1,999.53	0.77	-0.21	-0.74
10,275.00	91.00	359.60	8,247.49	2,094.51	22.03	2,094.52	1.07	1.05	0.21
10,370.00	91.30	358.50	8,245.59	2,189.47	20.45	2,189.49	1.20	0.32	-1.16
10,466.00	91.90	358.00	8,242.91	2,285.39	17.52	2,285.40	0.81	0.63	-0.52
10,561.00	90.80	359.10	8,240.67	2,380.33	15.12	2,380.34	1.64	-1.16	1.16
10,656.00	90.20	358.40	8,239.84	2,475.30	13.05	2,475.31	0.97	-0.63	-0.74
10,751.00	91.40	359.00	8,238.51	2,570.27	10.89	2,570.28	1.41	1.26	0.63
10,846.00	90.80	359.10	8,236.69	2,665.24	9.32	2,665.24	0.64	-0.63	0.11

Phoenix Technology Services

Survey Report



Company: Nadel and Gussman Permian, LLC
Project: Eddy County, New Mexico (NAD27)
Site: Kyle 34 Federal
Well: 2H
Wellbore: Wellbore #1 Job #1410986
Design: Surveys (Patriot 5)

Local Co-ordinate Reference: Well 2H
TVD Reference: WELL @ 3021.50usft (Patriot 5)
MD Reference: WELL @ 3021.50usft (Patriot 5)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: GCR DB

Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,941.00	91.10	358.90	8,235.11	2,760.21	7.66	2,760.21	0.38	0.32	-0.21
11,037.00	91.20	0.60	8,233.19	2,856.18	7.24	2,856.19	1.77	0.10	1.77
11,132.00	91.80	2.50	8,230.70	2,951.11	9.81	2,951.12	2.10	0.63	2.00
11,227.00	91.30	3.80	8,228.13	3,045.93	15.03	3,045.94	1.47	-0.53	1.37
11,322.00	90.50	4.40	8,226.64	3,140.68	21.82	3,140.69	1.05	-0.84	0.63
11,418.00	90.60	3.70	8,225.72	3,236.43	28.60	3,236.45	0.74	0.10	-0.73
11,513.00	90.30	3.70	8,224.97	3,331.23	34.73	3,331.26	0.32	-0.32	0.00
11,608.00	90.50	3.40	8,224.31	3,426.05	40.61	3,426.08	0.38	0.21	-0.32
11,703.00	90.90	3.30	8,223.15	3,520.88	46.16	3,520.91	0.43	0.42	-0.11
11,798.00	89.50	2.20	8,222.81	3,615.76	50.72	3,615.80	1.87	-1.47	-1.16
11,893.00	89.10	1.80	8,223.97	3,710.70	54.04	3,710.74	0.60	-0.42	-0.42
11,988.00	89.20	1.60	8,225.38	3,805.64	56.85	3,805.69	0.24	0.11	-0.21
12,084.00	89.30	1.30	8,226.64	3,901.61	58.28	3,901.65	0.33	0.10	-0.31
12,179.00	89.10	1.20	8,227.97	3,996.57	61.35	3,996.62	0.24	-0.21	-0.11
12,273.00	89.40	1.20	8,229.20	4,090.54	63.32	4,090.59	0.32	0.32	0.00
12,367.00	89.90	0.90	8,229.77	4,184.53	65.05	4,184.58	0.62	0.53	-0.32
12,462.00	89.10	359.90	8,230.60	4,279.52	65.71	4,279.57	1.35	-0.84	-1.05
12,557.00	88.40	359.60	8,232.67	4,374.49	65.29	4,374.55	0.80	-0.74	-0.32
12,652.00	88.30	359.60	8,235.41	4,469.45	64.63	4,469.50	0.11	-0.11	0.00
12,747.00	88.20	358.60	8,238.31	4,564.40	63.14	4,564.45	1.06	-0.11	-1.05
12,841.00	88.40	358.60	8,240.21	4,628.35	61.58	4,628.40	0.31	0.31	0.00
Last Phoenix Survey.									
12,875.00	88.40	358.60	8,241.99	4,692.30	60.01	4,692.35	0.00	0.00	0.00
Projection to TD									

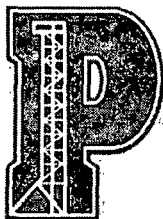
Survey Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates	+N/-S (usft)	+E/-W (usft)	Comment
525.00	524.79	-0.12	-11.99		Tie-in to VES Gyro
558.00	557.75	0.41	-13.53		First Phoenix Survey
12,811.00	8,240.21	4,628.35	01.58		Last Phoenix Survey
12,875.00	8,241.99	4,692.30	50.01		Projection to TD

Checked By: _____

Approved By: _____

Date: _____



PATRIOT DRILLING, LLC

OPERATOR: Nadel & Gussman Permian, LLC
WELL/LEASE: Kyle 34 Federal # 2 H
COUNTY: Eddy Co., New Mexico
Sec. 34, T24S, R28E

**STATE OF NEW MEXICO
DEVIATION REPORT**

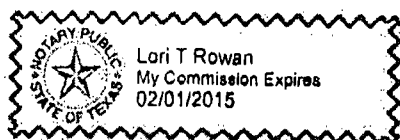
<u>Depth</u>	<u>Deviation</u>	<u>Depth</u>	<u>Deviation</u>
421	1 1/4	5,682	1/4
863	1	6,044	1/2
1,218	2 1/4	6,425	2 1/2
1,503	2	6,633	1 1/2
1,883	2	6,900	2 1/4
2,477	2	7,090	1 1/2
2,715	2 3/4	7,355	1
3,265	1 3/4	7,725	2
3,952	2 1/4		
4,333	2 3/4		
4,809	2 3/4		
5,094	2 1/2		
5,380	1 1/2		

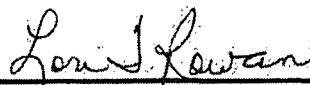
Patriot Drilling, LLC


M. Leroy Peterson, Executive Vice-
President

The foregoing instrument was acknowledged before me on this 9th day of July,
2014 by M. Leroy Peterson, Executive Vice-President of Patriot Drilling, LLC.

My Commission Expires: 02/01/2015




Lori T. Rowan
Notary Public for Ector Co., Texas

VES SURVEY

Company: Nadel and Gussman Permian
Lease/Well: Kyle 34 Federal/#2H
Location: S34 T24S R28E
Rig Name: Patriot 5
State/County: New Mexico/Eddy
Latitude: 32.17, Longitude: -104.08
GRID North is 0.13 Degrees East of True North
VS-Azi: 0.00 Degrees

VES SURVEY

Depth Reference : R.K.B. = 24 Feet

DRILLOG HA GYRO SURVEY CALCULATIONS

Filename: gyro survey 2.ut
Minimum Curvature Method
Report Date/Time: 6/15/2014 / 02:01

Vaughn Energy Services
Midland, TX
432-563-5444
Andrew Askew

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	TVD FT	+N/-S FT	+E/-W FT	Vertical Section FT	Closure Distance FT	Closure Direction Deg	Dogleg Severity Deg/100
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	----
25.00	0.66	247.13	25.00	-0.06	-0.13	-0.06	0.14	247.13	2.63
50.00	0.65	260.51	50.00	-0.13	-0.40	-0.13	0.43	251.52	0.61
75.00	0.63	262.09	75.00	-0.18	-0.68	-0.18	0.70	255.39	0.09
100.00	0.79	258.66	99.99	-0.23	-0.98	-0.23	1.01	256.86	0.64
125.00	0.88	256.80	124.99	-0.31	-1.34	-0.31	1.37	257.07	0.38
150.00	1.01	251.99	149.99	-0.42	-1.73	-0.42	1.78	256.42	0.60
175.00	1.16	253.20	174.98	-0.56	-2.18	-0.56	2.25	255.63	0.60
200.00	1.09	248.65	199.98	-0.72	-2.65	-0.72	2.74	254.80	0.45
225.00	1.20	248.38	224.97	-0.90	-3.11	-0.90	3.24	253.84	0.44
250.00	1.16	249.73	249.97	-1.09	-3.59	-1.09	3.75	253.18	0.18
275.00	1.06	250.75	274.96	-1.25	-4.04	-1.25	4.23	252.84	0.44
300.00	0.92	253.96	299.96	-1.38	-4.46	-1.38	4.67	252.79	0.57
325.00	0.84	260.33	324.96	-1.47	-4.83	-1.47	5.05	253.11	0.51
350.00	0.93	255.61	349.95	-1.55	-5.21	-1.55	5.43	253.44	0.45
375.00	1.08	262.19	374.95	-1.63	-5.64	-1.63	5.87	253.87	0.77
400.00	1.47	270.62	399.94	-1.66	-6.19	-1.66	6.41	255.00	1.70
425.00	1.94	273.05	424.93	-1.63	-6.93	-1.63	7.12	256.74	1.90
450.00	2.76	281.88	449.91	-1.49	-7.95	-1.49	8.08	259.40	3.59
475.00	3.44	289.21	474.88	-1.12	-9.24	-1.12	9.31	263.11	3.14
500.00	3.53	292.46	499.83	-0.58	-10.66	-0.58	10.68	266.91	0.87
525.00	2.87	284.86	524.79	-0.12	-11.98	-0.12	11.98	269.42	3.13

HORIZONTAL DISPLACEMENT IS
11.98 FEET AT 269.42 DEGREES