

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-005-63944
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: WAR CLOUD STATE OCM 1425-36
8. Well Number 3Y
9. OGRID Number 230387
10. Pool name or Wildcat WILDCAT, WOLFCAMP
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR: 3485
Pit or Below-grade Tank Application ☐ or Closure ☐
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other _____
2. Name of Operator PARALLEL PETROLEUM CORPORATION
3. Address of Operator 1004 N BIG SPRING, SUITE 400, MIDLAND, TX 79701
4. Well Location Unit Letter <u>H</u> : <u>1860</u> feet from the <u>NORTH</u> line and <u>250</u> feet from the <u>EAST</u> line Section <u>36</u> Township <u>14S</u> Range <u>25E</u> NMPM County <u>CHAVES</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR: 3485
Pit or Below-grade Tank Application ☐ or Closure ☐
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

AUG 20 2007
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12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐	REMEDIAL WORK ☐ ALTERING CASING ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐	CASING TEST AND CEMENT JOB ☒
OTHER: ☐	OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

07-23-2007:
TD @ 9220 MD
SET 5.5" CSG, 7.875" HOLE, 17# @ 9217'
OBT W/LEAD: 700 SX HALLIBURTON INTERFILL C, 11.9 PPG, 2.45 YLD
TAIL: 450 SX PREM ASC+0.7% HALAD 344+0.25 D-AIR3000 +0.7% HR 601+10 LB
SILICALITE 5/50 POZMIX, 15 PPG, 2.61 YLD
TOC: CIRCULATED 167 SX TO SURFACE WOC: 4 DAYS, TST CSG 50 5000# FOR 30 MIN
HALLIBURTON MWD SURVEY, GYRODATA GYRO SURVEY & THREE DETECTOR LITHO-DENSITY CN/HNGS ATTACHED

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Kaye McCormick TITLE SR PROD & REG TECH DATE 08-16-2007
E-mail address: kmccormick@plll.com
Type or print name KAYE MC CORMICK Telephone No. 432-685-6563

For State Use Only FOR RECORDS ONLY
APPROVED BY _____ TITLE _____ DATE _____
Conditions of Approval, if any:

AUG 20 2007

A Gyrodata Directional Survey

Field Copy Only, not definitive

for

PARALLEL PETROLEUM

Location: JW 4, CHAVES COUNTY, NEW MEXICO
Lease: WARCLOUD STATE COM 14-25 36 Well: #3, 4-1/2 DRILLPIPE

Job Number: MD0707G_243

Run Date: 7/7/2007 12:57:37 AM

Surveyor: THOMAS BOWDEN

Calculation Method: MINIMUM CURVATURE

Survey Latitude: 33.061272 deg. N Longitude: 104.402311 deg. W

Azimuth Correction:

Gyro: 0.04000 deg East to Grid North

Vertical Section Calculated from Well Head Location

Closure Calculated from Well Head Location

Horizontal Coordinates Calculated from Well Head Location

AUG 20 2007
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A Gyrodata Directional Survey

PARALLEL PETROLEUM

Location: JW 4, CHAVES COUNTY, NEW MEXICO

Lease: WARCLOUD STATE COM 14-25 36 Well: #3, 4-1/2 DRILLPIPE

Job Number: MD0707G_243

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
0.00	0.00	0.00	0.0	0.00	0.00	0.0 0.0	0.00 N 0.00 E
0 TO 5185 FT. RATE GYROSCOPIC MULTISHOT SURVEY RAN INSIDE 4-1/2" DRILLPIPE							
ALL MEASURED DEPTHS AND COORDINATES REFERENCED TO JW 4 R.K.B.							
100.00	0.90	7.13	0.8	0.90	100.00	0.8 7.1	0.78 N 0.10 E
200.00	0.99	17.19	2.4	0.19	199.98	2.4 10.7	2.38 N 0.45 E
300.00	0.99	23.76	4.0	0.11	299.97	4.1 14.8	4.00 N 1.05 E
400.00	1.06	26.36	5.6	0.08	399.95	5.9 17.9	5.62 N 1.81 E
500.00	0.72	13.69	7.1	0.39	499.94	7.5 18.6	7.06 N 2.38 E
600.00	0.68	7.71	8.3	0.09	599.93	8.7 17.5	8.26 N 2.60 E
700.00	0.70	9.07	9.4	0.03	699.92	9.9 16.4	9.45 N 2.78 E
800.00	0.45	42.13	10.4	0.41	799.92	10.8 16.9	10.35 N 3.14 E
900.00	0.65	49.32	11.0	0.21	899.91	11.7 19.2	11.02 N 3.84 E
1000.00	0.74	44.83	11.8	0.10	999.91	12.7 21.7	11.84 N 4.72 E
1100.00	0.68	29.38	12.8	0.20	1099.90	13.9 23.1	12.82 N 5.47 E
1200.00	0.92	38.60	14.0	0.27	1199.89	15.3 24.2	13.97 N 6.26 E
1300.00	1.50	42.08	15.6	0.58	1299.87	17.3 26.1	15.56 N 7.64 E
1400.00	2.02	36.93	17.9	0.55	1399.82	20.3 28.1	17.94 N 9.57 E
1500.00	2.68	38.86	21.2	0.67	1499.74	24.4 29.8	21.17 N 12.10 E
1600.00	2.65	39.31	24.8	0.04	1599.63	29.0 31.2	24.79 N 15.04 E
1700.00	2.71	33.77	28.5	0.26	1699.52	33.6 32.0	28.54 N 17.82 E
1800.00	2.52	33.12	32.4	0.19	1799.41	38.2 32.2	32.35 N 20.33 E
1900.00	2.36	27.33	36.0	0.29	1899.32	42.5 32.0	36.02 N 22.48 E
2000.00	2.15	29.76	39.5	0.23	1999.25	46.4 31.7	39.48 N 24.36 E

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A Gyrodata Directional Survey

PARALLEL PETROLEUM

Location: JW 4, CHAVES COUNTY, NEW MEXICO

Lease: WARCLOUD STATE COM 14-25 36 Well: #3, 4-1/2 DRILLPIPE

Job Number: MD0707G_243

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
2100.00	1.30	33.71	42.0	0.85	2099.20	49.4 31.6	42.05 N 25.92 E
2200.00	0.74	44.06	43.5	0.59	2199.18	51.2 31.8	43.46 N 27.00 E
2300.00	0.52	70.02	44.1	0.36	2299.18	52.2 32.3	44.08 N 27.87 E
2400.00	0.39	76.63	44.3	0.14	2399.17	52.8 32.9	44.32 N 28.63 E
2500.00	0.25	107.09	44.3	0.22	2499.17	53.1 33.3	44.33 N 29.16 E
2600.00	0.18	230.00	44.2	0.37	2599.17	53.0 33.5	44.17 N 29.25 E
2700.00	0.23	237.73	44.0	0.06	2699.17	52.6 33.4	43.96 N 28.96 E
2800.00	0.49	228.63	43.6	0.27	2799.17	52.0 33.2	43.57 N 28.47 E
2900.00	0.54	225.82	43.0	0.05	2899.17	51.2 32.9	42.96 N 27.81 E
3000.00	0.45	238.13	42.4	0.14	2999.16	50.4 32.6	42.43 N 27.14 E
3100.00	0.65	236.90	41.9	0.20	3099.16	49.5 32.1	41.90 N 26.33 E
3200.00	0.68	253.52	41.4	0.20	3199.15	48.5 31.4	41.42 N 25.28 E
3300.00	0.60	242.57	41.0	0.15	3299.14	47.6 30.6	41.01 N 24.24 E
3400.00	0.52	245.83	40.6	0.08	3399.14	46.8 29.9	40.59 N 23.36 E
3500.00	0.64	235.75	40.1	0.15	3499.13	46.0 29.3	40.09 N 22.49 E
3600.00	0.67	229.60	39.4	0.08	3599.13	44.9 28.7	39.39 N 21.58 E
3700.00	0.29	240.22	38.9	0.39	3699.12	44.2 28.3	38.89 N 20.91 E
3800.00	0.17	226.00	38.7	0.13	3799.12	43.8 28.0	38.66 N 20.59 E
3900.00	0.19	98.46	38.5	0.32	3899.12	43.7 28.2	38.53 N 20.65 E
4000.00	0.18	106.78	38.5	0.03	3999.12	43.8 28.6	38.46 N 20.97 E
4100.00	1.10	91.86	38.4	0.93	4099.11	44.3 29.9	38.39 N 22.07 E
4200.00	1.41	97.96	38.2	0.34	4199.09	45.2 32.4	38.19 N 24.25 E
4300.00	1.02	112.89	37.7	0.50	4299.07	45.9 34.9	37.67 N 26.28 E

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PARALLEL PETROLEUM

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Lease: WARCLOUD STATE COM 14-25 36 Well: #3, 4-1/2 DRILLPIPE

Job Number: MD0707G_243

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
4400.00	1.00	97.90	37.2	0.26	4399.05	46.5 36.9	37.21 N 27.96 E
4500.00	0.99	92.78	37.0	0.09	4499.04	47.5 38.7	37.05 N 29.69 E
4600.00	0.90	106.93	36.8	0.25	4599.02	48.3 40.4	36.78 N 31.30 E
4700.00	0.76	105.24	36.4	0.15	4699.01	48.9 42.0	36.37 N 32.69 E
4800.00	0.49	87.91	36.2	0.33	4799.01	49.5 43.0	36.21 N 33.76 E
4900.00	0.58	98.66	36.1	0.13	4899.00	50.1 43.8	36.15 N 34.68 E
5000.00	0.43	113.09	35.9	0.19	4999.00	50.5 44.7	35.93 N 35.53 E
5100.00	0.48	102.85	35.7	0.09	5099.00	50.9 45.5	35.69 N 36.28 E
5185.00	0.29	123.26	35.5	0.27	5183.99	51.1 46.0	35.49 N 36.81 E

Final Station Closure: Distance: 51.13 ft Az: 46.05 deg.

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Parallel Petroleum Corp.

Chaves County, NM

Sec 36 T-14S R-25E

War Cloud State Com 1425-36 #3Y

Wellbore #1

Design: Wellbore #1

Sperry Drilling Services Combo Report

22 July, 2007

Well Coordinates 749,874.90 N, 483,265.40 E (33° 03' 41.23" N, 104° 23' 16.64" W)

Ground Level 3,485.00 ft

Local Coordinate Origin	Centered on Well War Cloud State Com 1425-36 #3Y
Viewing Datum	WELL @ 3499.00ft (Original Well Elev)
TVDs to System	N
North Reference	Grid
Unit System	api us survey ft 2

Version 2003 16 Build 42B

HALLIBURTON

AUG 20 2007
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HALLIBURTON**Design Report for War Cloud State Com 1425-36 #3Y - Wellbore #1**

Measured Depth (ft)	Inclination (°)	Azimuth (°)	TVD below System (ft)	Vertical Depth (ft)	Local Coordinates		Map Coordinates		Dogleg Rate (°/100ft)	Vertical Section (ft)	Comments
					Northing (ft)	Easting (ft)	Northing (ft)	Easting (ft)			
0.00	0.00	0 00	3,499.00	0.00	0.00 N	0.00 E	749,874.90	483,265.40	0.00	0 00	
100.00	0.90	7.13	3,399.00	100.00	0.78 N	0.10 E	749,875.68	483,265.50	0.90	-0.11	
200.00	0.99	17.19	3,299.02	199.98	2.38 N	0.45 E	749,877.28	483,265.85	0.19	-0.48	
300.00	0.99	23.76	3,199.03	299.97	4.00 N	1.05 E	749,878.90	483,266.45	0.11	-1.11	
400.00	1.06	26.36	3,099.05	399.95	5.62 N	1.81 E	749,880.52	483,267.21	0.08	-1.89	
500.00	0.72	13.69	2,999.06	499.94	7.06 N	2.37 E	749,881.96	483,267.77	0.39	-2.47	
600.00	0.68	7.71	2,899.07	599.93	8.26 N	2.60 E	749,883.16	483,268.00	0.08	-2.72	
700.00	0.70	9.07	2,799.08	699.92	9.45 N	2.78 E	749,884.35	483,268.18	0.03	-2.91	
800.00	0.45	42.13	2,699.08	799.92	10.34 N	3.14 E	749,885.24	483,268.54	0.41	-3.29	
900.00	0.65	49.32	2,599.08	899.92	11.00 N	3.83 E	749,885.90	483,269.23	0.21	-3.99	
1,000.00	0.74	44.83	2,499.09	999.91	11.83 N	4.71 E	749,886.73	483,270.11	0.11	-4.89	
1,100.00	0.68	29.38	2,399.10	1,099.90	12.81 N	5.46 E	749,887.71	483,270.86	0.20	-5.65	
1,200.00	0.92	38.60	2,299.11	1,199.89	13.95 N	6.25 E	749,888.85	483,271.65	0.27	-6.45	
1,300.00	1.50	42.08	2,199.13	1,299.87	15.55 N	7.63 E	749,890.45	483,273.03	0.58	-7.86	
1,400.00	2.02	36.93	2,099.18	1,399.82	17.93 N	9.57 E	749,892.83	483,274.97	0.54	-9.83	
1,500.00	2.68	38.86	1,999.26	1,499.74	21.16 N	12.09 E	749,896.06	483,277.49	0.66	-12.40	
1,600.00	2.65	39.31	1,899.37	1,599.63	24.77 N	15.02 E	749,899.67	483,280.42	0.04	-15.38	
1,700.00	2.71	33.77	1,799.48	1,699.52	28.52 N	17.80 E	749,903.42	483,283.20	0.27	-18.21	
1,800.00	2.52	33.12	1,699.59	1,799.41	32.33 N	20.32 E	749,907.23	483,285.72	0.19	-20.78	
1,900.00	2.36	27.33	1,599.68	1,899.32	36.00 N	22.46 E	749,910.90	483,287.86	0.29	-22.98	
2,000.00	2.15	29.76	1,499.75	1,999.25	39.46 N	24.34 E	749,914.36	483,289.74	0.23	-24.91	
2,100.00	1.30	33.71	1,399.80	2,099.20	42.03 N	25.90 E	749,916.93	483,291.30	0.86	-26.51	
2,200.00	0.74	44.06	1,299.82	2,199.18	43.44 N	26.98 E	749,918.34	483,292.38	0.59	-27.61	
2,300.00	0.52	70.02	1,199.82	2,299.18	44.06 N	27.86 E	749,918.96	483,293.26	0.36	-28.49	
2,400.00	0.39	76.63	1,099.83	2,399.17	44.29 N	28.61 E	749,919.19	483,294.01	0.14	-29.25	
2,500.00	0.25	107.09	999.83	2,499.17	44.30 N	29.15 E	749,919.20	483,294.55	0.22	-29.79	
2,600.00	0.18	230.00	899.83	2,599.17	44.14 N	29.24 E	749,919.04	483,294.64	0.38	-29.88	
2,700.00	0.23	237.73	799.83	2,699.17	43.93 N	28.95 E	749,918.83	483,294.35	0.06	-29.58	
2,800.00	0.49	228.63	699.83	2,799.17	43.54 N	28.46 E	749,918.44	483,293.86	0.27	-29.09	
2,900.00	0.54	225.82	599.83	2,899.17	42.93 N	27.80 E	749,917.83	483,293.20	0.06	-28.42	
3,000.00	0.45	238.13	499.84	2,999.16	42.39 N	27.13 E	749,917.29	483,292.53	0.14	-27.74	
3,100.00	0.65	236.90	399.84	3,099.16	41.88 N	26.32 E	749,916.78	483,291.72	0.20	-26.93	
3,200.00	0.68	253.52	299.85	3,199.15	41.40 N	25.28 E	749,916.30	483,290.68	0.19	-25.87	
3,300.00	0.60	242.57	199.86	3,299.14	40.99 N	24.24 E	749,915.89	483,289.64	0.15	-24.84	
3,400.00	0.52	245.83	99.86	3,399.14	40.56 N	23.37 E	749,915.46	483,288.77	0.09	-23.95	
3,500.00	0.64	235.75	-0.13	3,499.13	40.06 N	22.49 E	749,914.96	483,287.89	0.16	-23.07	
3,600.00	0.67	229.60	-100.13	3,599.13	39.37 N	21.58 E	749,914.27	483,286.98	0.08	-22.15	
3,700.00	0.29	240.22	-200.12	3,699.12	38.86 N	20.92 E	749,913.76	483,286.32	0.39	-21.48	
3,800.00	0.17	226.00	-300.12	3,799.12	38.64 N	20.59 E	749,913.54	483,285.99	0.13	-21.15	
3,900.00	0.19	98.46	-400.12	3,899.12	38.51 N	20.65 E	749,913.41	483,286.05	0.32	-21.20	

AUG 20 2007
OCD-ARTESIA

HALLIBURTON**Design Report for War Cloud State Com 1425-36 #3Y - Wellbore #1**

Measured Depth (ft)	Inclination (°)	Azimuth (°)	TVD below System (ft)	Vertical Depth (ft)	Local Coordinates		Map Coordinates		Dogleg Rate (°/100ft)	Vertical Section (ft)	Comments
					Northing (ft)	Easting (ft)	Northing (ft)	Easting (ft)			
4,000.00	0.18	106.78	-500.12	3,999.12	38.44 N	20.96 E	749,913.34	483,286.36	0.03	-21.52	
4,100.00	1.10	91.86	-600.12	4,099.12	38.36 N	22.07 E	749,913.26	483,287.47	0.93	-22.63	
4,200.00	1.41	97.96	-700.09	4,199.09	38.16 N	24.25 E	749,913.06	483,289.65	0.34	-24.80	
4,300.00	1.02	112.89	-800.07	4,299.07	37.64 N	26.29 E	749,912.54	483,291.69	0.50	-26.83	
4,400.00	1.00	97.90	-900.05	4,399.05	37.18 N	27.97 E	749,912.08	483,293.37	0.26	-28.51	
4,500.00	0.99	92.78	-1,000.04	4,499.04	37.02 N	29.70 E	749,911.92	483,295.10	0.09	-30.23	Tie On
4,527.00	0.93	99.43	-1,027.04	4,526.04	36.97 N	30.15 E	749,911.87	483,295.55	0.47	-30.68	
4,559.00	0.96	248.31	-1,059.03	4,558.03	36.83 N	30.16 E	749,911.73	483,295.56	5.69	-30.69	
4,592.00	4.16	265.13	-1,092.00	4,591.00	36.62 N	28.71 E	749,911.52	483,294.11	9.86	-29.23	
4,624.00	8.21	269.89	-1,123.80	4,622.80	36.52 N	25.26 E	749,911.42	483,290.66	12.75	-25.79	
4,656.00	12.36	270.05	-1,155.28	4,654.28	36.52 N	19.55 E	749,911.42	483,284.95	12.97	-20.08	
4,688.00	17.01	270.04	-1,186.23	4,685.23	36.53 N	11.44 E	749,911.43	483,276.84	14.53	-11.97	
4,720.00	21.36	269.83	-1,216.44	4,715.44	36.51 N	0.93 E	749,911.41	483,266.33	13.60	-1.46	
4,752.00	25.86	270.29	-1,245.76	4,744.76	36.53 N	11.88 W	749,911.43	483,253.52	14.07	11.35	
4,784.00	29.64	271.53	-1,274.07	4,773.07	36.78 N	26.78 W	749,911.68	483,238.62	11.95	26.24	
4,816.00	32.90	272.06	-1,301.42	4,800.42	37.30 N	43.38 W	749,912.20	483,222.02	10.22	42.83	
4,848.00	35.86	271.63	-1,327.83	4,826.83	37.88 N	61.44 W	749,912.78	483,203.96	9.28	60.88	
4,880.00	39.13	271.45	-1,353.21	4,852.21	38.40 N	80.90 W	749,913.30	483,184.50	10.22	80.34	
4,911.00	42.00	270.88	-1,376.76	4,875.76	38.81 N	101.06 W	749,913.71	483,164.34	9.33	100.49	
4,943.00	45.27	270.53	-1,399.92	4,898.92	39.08 N	123.14 W	749,913.98	483,142.26	10.25	122.56	
4,975.00	48.54	269.91	-1,421.78	4,920.78	39.16 N	146.50 W	749,914.06	483,118.90	10.32	145.92	
5,007.00	52.46	268.85	-1,442.13	4,941.13	38.89 N	171.18 W	749,913.79	483,094.22	12.51	170.60	
5,039.00	56.49	267.26	-1,460.72	4,959.72	38.00 N	197.21 W	749,912.90	483,068.19	13.23	196.63	
5,071.00	60.85	265.90	-1,477.35	4,976.35	36.36 N	224.48 W	749,911.26	483,040.92	14.10	223.93	
5,103.00	65.19	265.16	-1,491.87	4,990.87	34.13 N	252.91 W	749,909.03	483,012.49	13.72	252.38	
5,135.00	69.19	264.88	-1,504.27	5,003.27	31.57 N	282.29 W	749,906.47	482,983.11	12.53	281.80	
5,167.00	72.78	264.68	-1,514.70	5,013.70	28.82 N	312.41 W	749,903.72	482,952.99	11.23	311.96	
5,198.00	76.15	264.81	-1,523.00	5,022.00	26.09 N	342.15 W	749,900.99	482,923.25	10.88	341.73	
5,230.00	78.12	264.92	-1,530.12	5,029.12	23.29 N	373.22 W	749,898.19	482,892.18	6.17	372.84	
5,262.00	79.37	265.29	-1,536.37	5,035.37	20.62 N	404.49 W	749,895.52	482,860.91	4.07	404.15	
5,294.00	80.42	265.72	-1,541.98	5,040.98	18.15 N	435.89 W	749,893.05	482,829.51	3.54	435.58	
5,326.00	82.15	266.80	-1,546.83	5,045.83	16.08 N	467.45 W	749,890.98	482,797.95	6.35	467.17	
5,358.00	84.81	267.81	-1,550.46	5,049.46	14.59 N	499.21 W	749,889.49	482,766.19	8.88	498.94	
5,390.00	88.21	268.89	-1,552.41	5,051.41	13.67 N	531.13 W	749,888.57	482,734.27	11.15	530.88	
5,422.00	90.68	269.33	-1,552.72	5,051.72	13.17 N	563.12 W	749,888.07	482,702.28	7.84	562.87	
5,454.00	91.36	269.57	-1,552.15	5,051.15	12.87 N	595.12 W	749,887.77	482,670.28	2.25	594.87	
5,486.00	91.51	269.77	-1,551.35	5,050.35	12.68 N	627.11 W	749,887.58	482,638.29	0.78	626.86	
5,518.00	91.02	269.36	-1,550.64	5,049.64	12.44 N	659.10 W	749,887.34	482,606.30	2.00	658.85	
5,549.00	91.48	269.29	-1,549.97	5,048.97	12.08 N	690.09 W	749,886.98	482,575.31	1.50	689.84	

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Design Report for War Cloud State Com 1425-36 #3Y - Wellbore #1

Measured Depth (ft)	Inclination (°)	Azimuth (°)	TVD below System (ft)	Vertical Depth (ft)	Local Coordinates		Map Coordinates		Dogleg Rate (°/100ft)	Vertical Section (ft)	Comments
					Northing (ft)	Easting (ft)	Northing (ft)	Easting (ft)			
5,581.00	92.44	269.40	-1,548.87	5,047.87	11 71 N	722.07 W	749,886.61	482,543.33	3.02	721.82	
5,613.00	92.41	269.34	-1,547.52	5,046.52	11.36 N	754.04 W	749,886.26	482,511.36	0.21	753.79	
5,645.00	92.62	269.27	-1,546.12	5,045.12	10.97 N	786.00 W	749,885.87	482,479.40	0.69	785.76	
5,676.00	92.88	269.28	-1,544.63	5,043.63	10.58 N	816.96 W	749,885.48	482,448.44	0.84	816.72	
5,708.00	93.24	269.16	-1,542.92	5,041.92	10.14 N	848.92 W	749,885.04	482,416.48	1.19	848.68	
5,740.00	93.09	269.28	-1,541.15	5,040.15	9.71 N	880.86 W	749,884.61	482,384.54	0.60	880.63	
5,804.00	92.65	269.16	-1,537.95	5,036.95	8.84 N	944.78 W	749,883.74	482,320.62	0.71	944.55	
5,867.00	92.50	269.21	-1,535.12	5,034.12	7.94 N	1,007.71 W	749,882.84	482,257.69	0.25	1,007.49	
5,931.00	91.66	268.75	-1,532.80	5,031.80	6.80 N	1,071.65 W	749,881.70	482,193.75	1.50	1,071.44	
5,995.00	89.82	268.68	-1,531.97	5,030.97	5.37 N	1,135.63 W	749,880.27	482,129.77	2.88	1,135.43	
6,058.00	90.99	269.14	-1,531.52	5,030.52	4.17 N	1,198.62 W	749,879.07	482,066.78	2.00	1,198.43	
6,122.00	91.36	270.28	-1,530.21	5,029.21	3.85 N	1,262.60 W	749,878.75	482,002.80	1.87	1,262.41	
6,217.00	88.67	267.61	-1,530.19	5,029.19	2.10 N	1,357.57 W	749,877.00	481,907.83	3.99	1,357.39	
6,313.00	87.59	267.21	-1,533.32	5,032.32	2.24 S	1,453.42 W	749,872.66	481,811.98	1.20	1,453.30	
6,409.00	91.66	270.70	-1,533.95	5,032.95	3.99 S	1,549.36 W	749,870.91	481,716.04	5.58	1,549.26	
6,504.00	89.85	268.67	-1,532.70	5,031.70	4.51 S	1,644.34 W	749,870.39	481,621.06	2.86	1,644.24	
6,600.00	88.03	267.87	-1,534.47	5,033.47	7.41 S	1,740.28 W	749,867.49	481,525.12	2.07	1,740.20	
6,695.00	89.41	269.67	-1,536.59	5,035.59	9.44 S	1,835.23 W	749,865.46	481,430.17	2.39	1,835.17	
6,791.00	91.08	271.99	-1,536.18	5,035.18	8.05 S	1,931.21 W	749,866.85	481,334.19	2.98	1,931.12	
6,886.00	89.82	271.39	-1,535.44	5,034.44	5.25 S	2,026.16 W	749,869.65	481,239.24	1.47	2,026.02	
6,982.00	89.44	271.70	-1,536.06	5,035.06	2.66 S	2,122.12 W	749,872.24	481,143.28	0.51	2,121.94	
7,046.00	91.70	272.36	-1,535.42	5,034.42	0.40 S	2,186.08 W	749,874.50	481,079.32	3.68	2,185.85	
7,110.00	93.05	271.91	-1,532.77	5,031.77	1.98 N	2,249.97 W	749,876.88	481,015.43	2.22	2,249.71	
7,173.00	92.07	271.57	-1,529.95	5,028.95	3.90 N	2,312.88 W	749,878.80	480,952.52	1.65	2,312.58	
7,235.00	90.68	270.97	-1,528.47	5,027.47	5.27 N	2,374.85 W	749,880.17	480,890.55	2.44	2,374.52	
7,297.00	90.62	271.23	-1,527.76	5,026.76	6.46 N	2,436.83 W	749,881.36	480,828.57	0.43	2,436.48	
7,358.00	93.52	272.59	-1,525.56	5,024.56	8.49 N	2,497.75 W	749,883.39	480,767.65	5.25	2,497.36	
7,420.00	92.13	272.07	-1,522.50	5,021.50	11.01 N	2,559.62 W	749,885.91	480,705.78	2.39	2,559.19	
7,482.00	90.31	271.29	-1,521.18	5,020.18	12.82 N	2,621.58 W	749,887.72	480,643.82	3.19	2,621.12	
7,544.00	90.19	272.06	-1,520.91	5,019.91	14.64 N	2,683.55 W	749,889.54	480,581.85	1.26	2,683.06	
7,606.00	91.30	270.10	-1,520.11	5,019.11	15.81 N	2,745.53 W	749,890.71	480,519.87	3.63	2,745.01	
7,667.00	90.62	269.17	-1,519.09	5,018.09	15.42 N	2,806.52 W	749,890.32	480,458.88	1.89	2,806.00	
7,729.00	90.77	267.98	-1,518.33	5,017.33	13.87 N	2,868.49 W	749,888.77	480,396.91	1.93	2,867.99	
7,790.00	92.37	267.66	-1,516.66	5,015.66	11.56 N	2,929.42 W	749,886.46	480,335.98	2.67	2,928.95	
7,852.00	90.99	267.90	-1,514.85	5,013.85	9.16 N	2,991.35 W	749,884.06	480,274.05	2.26	2,990.90	
7,913.00	90.89	269.07	-1,513.84	5,012.84	7.54 N	3,052.32 W	749,882.44	480,213.08	1.92	3,051.89	
7,975.00	90.49	268.28	-1,513.10	5,012.10	6.11 N	3,114.30 W	749,881.01	480,151.10	1.43	3,113.88	
8,037.00	91.97	268.03	-1,511.77	5,010.77	4.11 N	3,176.25 W	749,879.01	480,089.15	2.42	3,175.86	
8,101.00	94.41	268.35	-1,508.21	5,007.21	2.10 N	3,240.11 W	749,877.00	480,025.29	3.85	3,239.74	

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HALLIBURTON**Design Report for War Cloud State Com 1425-36 #3Y - Wellbore #1**

Measured Depth (ft)	Inclination (°)	Azimuth (°)	TVD below System (ft)	Vertical Depth (ft)	Local Coordinates		Map Coordinates		Dogleg Rate (°/100ft)	Vertical Section (ft)	Comments
					Northing (ft)	Easting (ft)	Northing (ft)	Easting (ft)			
8,164.00	96.42	268.51	-1,502.26	5,001.26	0.38 N	3,302.81 W	749,875.28	479,962.59	3.20	3,302.45	
8,228.00	97.14	268.57	-1,494.71	4,993.71	1.24 S	3,366.34 W	749,873.66	479,899.06	1.13	3,366.00	
8,260.00	97.55	268.54	-1,490.61	4,989.61	2.04 S	3,398.06 W	749,872.86	479,867.34	1.28	3,397.74	
8,292.00	97.74	268.72	-1,486.36	4,985.36	2.80 S	3,429.77 W	749,872.10	479,835.63	0.81	3,429.45	
8,324.00	96.06	269.10	-1,482.51	4,981.51	3.41 S	3,461.53 W	749,871.49	479,803.87	5.38	3,461.22	
8,355.00	95.26	268.73	-1,479.46	4,978.46	3.99 S	3,492.38 W	749,870.91	479,773.02	2.84	3,492.07	
8,419.00	93.05	267.72	-1,474.82	4,973.82	5.97 S	3,556.17 W	749,868.93	479,709.23	3.79	3,555.88	
8,483.00	92.47	267.58	-1,471.74	4,970.74	8.59 S	3,620.04 W	749,866.31	479,645.36	0.93	3,619.79	
8,547.00	89.32	266.92	-1,470.74	4,969.74	11.66 S	3,683.95 W	749,863.24	479,581.45	5.03	3,683.74	
8,611.00	89.17	267.09	-1,471.58	4,970.58	15.00 S	3,747.86 W	749,859.90	479,517.54	0.35	3,747.68	
8,707.00	89.23	267.70	-1,472.92	4,971.92	19.36 S	3,843.75 W	749,855.54	479,421.65	0.64	3,843.63	
8,802.00	88.95	268.19	-1,474.43	4,973.43	22.77 S	3,938.68 W	749,852.13	479,326.72	0.59	3,938.59	
8,962.00	89.26	268.88	-1,476.93	4,975.93	26.86 S	4,098.60 W	749,848.04	479,166.80	0.47	4,098.56	
9,057.00	89.17	270.11	-1,478.23	4,977.23	27.70 S	4,193.59 W	749,847.20	479,071.81	1.30	4,193.55	
9,155.00	88.89	270.70	-1,479.89	4,978.89	27.01 S	4,291.57 W	749,847.89	478,973.83	0.67	4,291.51	Last MWD
9,220.00	88.89	270.70	-1,481.15	4,980.15	26.21 S	4,356.56 W	749,848.69	478,908.84	0.00	4,356.48	Proj to TD - PBHL (061407)

Design Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
4,500.00	4,499.04	37.02	29.70	Tie On
9,155.00	4,978.89	-27.01	-4,291.57	Last MWD
9,220.00	4,980.15	-26.21	-4,356.56	Proj to TD

Vertical Section Information

Angle Type	Target	Azimuth (°)	Origin Type	Origin +N/-S (ft)	Origin +E/-W (ft)	Start TVD (ft)
User	No Target (Freehand)	269.17	Slot	0.00	0.00	0.00

Survey tool program

From (ft)	To (ft)	Survey/Plan	Survey Tool
100.00	4,500.00	Survey #1	MWD
4,527.00	9,220.00	Survey #2	MWD

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Design Report for War Cloud State Com 1425-36 #3Y - Wellbore #1

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
LP (070707)	0.00	360 00	5,049.13	24 61	-414.29	749,899.51	482,851.11	33° 3' 41.474 N	04° 23' 21.508 W
- actual wellpath misses by 12.75ft at 5273.73ft MD (5037 49 TVD, 19 68 N, -415.98 E)									
- Point									
PBHL (061407)	0.00	0.00	4,980.10	-63.29	-4,369 54	749,811.61	478,895.86	33° 3' 40.581 N	104° 24' 7.983 W
- actual wellpath misses by 39.28ft at 9220.00ft MD (4980 15 TVD, -26.21 N, -4356 56 E)									
- Point									

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North Reference Sheet for Sec 36 T-14S R-25E - War Cloud State Com 1425-36 #3Y - Wellbore #1

All data is in US Feet unless otherwise stated. Directions and Coordinates are relative to Grid North Reference

Vertical Depths are relative to WELL @ 3499.00ft (Original Well Elev) Northing and Easting are relative to War Cloud State Com 1425-36 #3Y

Coordinate System is US State Plane 1927 (Exact solution), New Mexico East 3001 using datum NAD 1927 (NADCON CONUS), ellipsoid Clarke 1866

Projection method is Transverse Mercator (Gauss-Kruger)

Central Meridian is 104° 20' 0.000 W°, Longitude Origin 0° 0' 0.000 E°, Latitude Origin 0° 0' 0.000 N°

False Easting 500,000.00ft, False Northing 0.00ft, Scale Reduction 0.99990941

Grid Coordinates of Well 749,874.90 ft N, 483,265.40 ft E

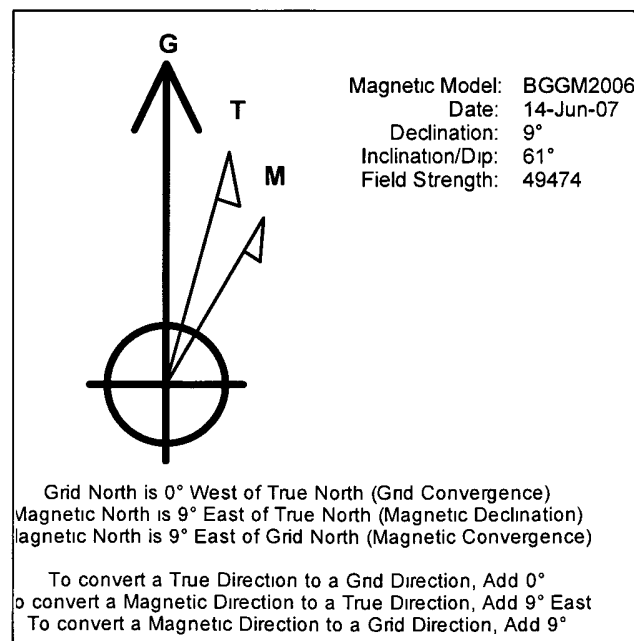
Geographical Coordinates of Well 33° 03' 41.23" N, 104° 23' 16.64" W

Grid Convergence at Surface is 0°

Based upon Minimum Curvature type calculations, at a Measured Depth of 9,220.00ft

the Bottom Hole Displacement is 4,356.64ft in the Direction of 269.66° (Grid).

Magnetic Convergence at surface is -9° (14 June 2007, , BGGM2006)



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