

30-025-40550

HOBBS OCD

SEP 24 2012

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REGENERATION ENERGY CORP.

Antelope Ridge
Lea County, NM
Lepakast State Com #1Y
VH - Job #32K0612667

Survey: Gyro

SDI Standard Survey Report

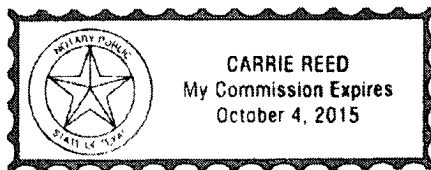
This survey is correct to the best of my knowledge and is supported by actual field data.

[Signature]

Notarized this date 18th of July, 2012.

[Signature]

Notary Signature
County of Midland
State of Texas



Scientific Drilling

Scientific Drilling International, Inc.

SDI Standard Survey Report



Company: REGENERATION ENERGY CORP
 Project: Antelope Ridge
 Site: Lea County, NM
 Well: Lepakast State Com #1Y
 Wellbore: VH - Job #32K0612667
 Design: VH - Job #32K0612667

Local Co-ordinate Reference: Well Lepakast State Com #1Y
 TVD Reference: WELL @ 0 00usft (Original Well Elev)
 MD Reference: WELL @ 0 00usft (Original Well Elev)
 North Reference: Grid
 Survey Calculation Method: Minimum Curvature
 Database: EDM-Regulatory

Project: Antelope Ridge

Map System: US State Plane 1927 (Exact solution)
 Geo Datum: NAD 1927 (NADCON CONUS)
 Map Zone: New Mexico East 3001

System Datum: Mean Sea Level

Site: Lea County, NM

Site Position: Northing: 463,131.93 usft Latitude: 32° 16' 12.000 N
 From: Lat/Long Easting: 780,755.37 usft Longitude: 103° 25' 30.000 W
 Position Uncertainty: 0 00 usft Slot Radius: 13-3/16" Grid Convergence: 0 49 °

Well: Lepakast State Com #1Y, Vertical

Well Position: +N/-S 0 00 usft Northing: 468,248.69 usft Latitude: 32° 17' 2.400 N
 +E/-W 0 00 usft Easting: 783,493.72 usft Longitude: 103° 24' 57.600 W
 Position Uncertainty: 0 00 usft Wellhead Elevation: usft Ground Level: 0 00 usft

Wellbore: VH - Job #32K0612667

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	06/04/12	7 40	60 25	48,598

Design: VH - Job #32K0612667

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	359 50

Survey Program: Date: 07/19/12

From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description
100 00	11,700 00	Gyro (VH - Job #32K0612667)	Keeper	Keeper Gyro

Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	True Vertical Depth	North/South (usft)	East/West (usft)	Closure Azimuth (°)	Closure Distance (usft)
0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
100 00	0 47	17 00	100 00	0 39	0 12	17 00	0 41
200 00	0 38	10 21	200 00	1 11	0 30	15 05	1 15
300 00	0 59	25 29	299 99	1 90	0 58	16 88	1 99
400 00	0 65	24 90	399 99	2 88	1 04	19 77	3 06
500 00	1 12	41 97	499 97	4 12	1 93	25 06	4 55
600 00	1 87	52 13	599 94	5 85	3 87	33 48	7 02
700 00	2 79	61 87	699 86	8 00	7 30	42 39	10 83
800 00	3 71	61 95	799 69	10 67	12 31	49 07	16 29
900 00	3 78	64 39	899 48	13 62	18 13	53 10	22 68
1,000 00	3 21	64.52	999 29	16 25	23 63	55.50	28 68
1,100 00	2 28	65.60	1,099 18	18 27	27 97	56 85	33 41

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 MD Reference: WELL @ 0.00usft (Original Well Elev)
 North Reference: Grid
 Survey Calculation Method: Minimum Curvature
 Database: EDM-Regulatory

Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	True Vertical Depth	North/South (usft)	East/West (usft)	Closure Azimuth (°)	Closure Distance (usft)
1,200.00	1.81	76.88	1,199.12	19.45	31.32	58.16	36.87
1,300.00	1.65	83.39	1,299.07	19.98	34.29	59.78	39.68
1,400.00	1.43	84.50	1,399.03	20.26	36.96	61.27	42.15
1,500.00	1.39	82.07	1,499.00	20.55	39.41	62.46	44.44
1,600.00	1.43	81.44	1,598.97	20.90	41.84	63.46	46.77
1,700.00	1.13	69.44	1,698.95	21.43	44.00	64.03	48.94
1,800.00	1.05	62.64	1,798.93	22.20	45.74	64.11	50.84
1,900.00	1.23	62.58	1,898.91	23.12	47.50	64.05	52.83
2,000.00	1.21	66.97	1,998.89	24.02	49.43	64.08	54.96
2,100.00	1.34	62.77	2,098.86	24.97	51.44	64.10	57.18
2,200.00	1.37	60.39	2,198.84	26.10	53.52	64.00	59.54
2,300.00	1.47	63.56	2,298.80	27.26	55.70	63.93	62.02
2,400.00	1.52	64.15	2,398.77	28.41	58.05	63.92	64.63
2,500.00	1.84	67.44	2,498.73	29.60	60.72	64.01	67.55
2,600.00	2.27	68.58	2,598.66	30.94	64.05	64.21	71.13
2,700.00	2.51	69.41	2,698.58	32.44	67.94	64.48	75.29
2,800.00	2.63	67.74	2,798.48	34.07	72.12	64.71	79.76
2,900.00	2.95	64.66	2,898.36	36.04	76.56	64.79	84.62
3,000.00	3.71	61.60	2,998.19	38.68	81.74	64.67	90.43
3,100.00	4.04	62.62	3,097.96	41.84	87.71	64.50	97.18
3,200.00	3.92	60.42	3,197.72	45.15	93.81	64.30	104.11
3,300.00	4.28	64.09	3,297.46	48.47	100.14	64.17	111.25
3,400.00	4.20	69.38	3,397.19	51.39	106.92	64.33	118.63
3,500.00	3.21	91.99	3,496.98	52.58	113.15	65.08	124.77
3,600.00	1.84	118.26	3,596.89	51.72	117.36	66.22	128.25
3,700.00	1.74	122.69	3,696.84	50.14	120.05	67.33	130.11
3,800.00	1.74	121.71	3,796.79	48.53	122.62	68.41	131.88
3,900.00	1.94	124.66	3,896.74	46.77	125.31	69.53	133.75
4,000.00	2.27	114.64	3,996.67	44.98	128.50	70.71	136.14
4,100.00	2.89	89.28	4,096.57	44.18	132.82	71.60	139.98
4,200.00	3.29	70.57	4,196.43	45.17	138.05	71.88	145.25
4,300.00	3.27	45.55	4,296.27	48.12	142.79	71.38	150.68
4,400.00	1.99	350.46	4,396.18	51.83	144.54	70.27	153.55
4,500.00	1.53	323.81	4,496.13	54.62	143.46	69.16	153.51
4,600.00	1.50	331.57	4,596.10	56.85	142.05	68.19	153.00
4,700.00	1.43	335.36	4,696.07	59.14	140.91	67.23	152.81
4,800.00	1.54	332.96	4,796.03	61.47	139.78	66.26	152.69
4,900.00	1.48	342.30	4,896.00	63.89	138.77	65.28	152.78
5,000.00	1.41	343.21	4,995.97	66.30	138.02	64.34	153.12
5,100.00	1.50	345.20	5,095.93	68.74	137.34	63.41	153.58
5,200.00	1.47	341.43	5,195.90	71.23	136.59	62.46	154.05
5,300.00	1.43	339.66	5,295.87	73.61	135.75	61.53	154.42
5,400.00	1.27	338.06	5,395.84	75.81	134.90	60.67	154.74
5,500.00	1.26	334.33	5,495.82	77.83	134.01	59.85	154.97

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Wellbore: VH - Job #32K0612667
Design: VH - Job #32K0612667

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TVD Reference: WELL @ 0 00usft (Original Well Elev)
MD Reference: WELL @ 0 00usft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM-Regulatory

Survey							
Measured Depth (usft)	Inclination (°)	Azimuth (°)	True Vertical Depth	North/South (usft)	East/West (usft)	Closure Azimuth (°)	Closure Distance (usft)
5,600.00	1.11	331.65	5,595.79	79.67	133.08	59.09	155.10
5,700.00	0.92	330.03	5,695.78	81.22	132.21	58.44	155.17
5,800.00	0.98	328.21	5,795.76	82.64	131.36	57.83	155.20
5,900.00	0.99	320.31	5,895.75	84.03	130.36	57.19	155.10
6,000.00	0.63	318.14	5,995.74	85.11	129.44	56.68	154.92
6,100.00	0.42	338.90	6,095.74	85.86	128.94	56.34	154.91
6,200.00	0.39	328.77	6,195.73	86.49	128.64	56.08	155.01
6,300.00	0.49	338.78	6,295.73	87.18	128.30	55.80	155.12
6,400.00	0.53	352.91	6,395.73	88.04	128.09	55.50	155.43
6,500.00	0.49	346.93	6,495.72	88.92	127.94	55.20	155.80
6,600.00	0.53	333.64	6,595.72	89.75	127.64	54.89	156.03
6,700.00	0.69	338.30	6,695.71	90.72	127.21	54.51	156.24
6,800.00	0.54	319.75	6,795.71	91.64	126.68	54.12	156.35
6,900.00	0.63	322.67	6,895.70	92.44	126.04	53.74	156.31
7,000.00	0.44	299.47	6,995.70	93.06	125.38	53.41	156.14
7,100.00	0.46	294.76	7,095.69	93.42	124.68	53.16	155.79
7,200.00	0.49	292.73	7,195.69	93.75	123.92	52.89	155.39
7,300.00	0.45	262.32	7,295.69	93.87	123.13	52.68	154.83
7,400.00	0.48	282.47	7,395.68	93.90	122.34	52.49	154.22
7,500.00	0.49	238.31	7,495.68	93.77	121.56	52.35	153.53
7,600.00	0.77	236.22	7,595.68	93.17	120.64	52.32	152.43
7,700.00	0.95	228.35	7,695.66	92.25	119.46	52.33	150.93
7,800.00	1.01	236.71	7,795.65	91.21	118.11	52.32	149.23
7,900.00	1.14	232.33	7,895.63	90.12	116.58	52.30	147.35
8,000.00	1.27	240.17	7,995.61	88.96	114.83	52.24	145.26
8,100.00	1.30	240.13	8,095.58	87.84	112.89	52.11	143.04
8,200.00	1.31	240.47	8,195.56	86.72	110.91	51.98	140.79
8,300.00	1.39	243.58	8,295.53	85.61	108.83	51.81	138.47
8,400.00	1.37	242.74	8,395.50	84.53	106.68	51.61	136.11
8,500.00	1.41	242.12	8,495.47	83.40	104.53	51.41	133.73
8,600.00	1.59	239.99	8,595.44	82.13	102.24	51.22	131.15
8,700.00	1.55	241.78	8,695.40	80.80	99.85	51.02	128.45
8,800.00	1.31	222.91	8,795.37	79.32	97.88	50.98	125.99
8,900.00	1.02	206.03	8,895.35	77.69	96.71	51.23	124.05
9,000.00	1.23	203.37	8,995.33	75.90	95.89	51.64	122.30
9,100.00	1.45	203.45	9,095.30	73.76	94.96	52.16	120.24
9,200.00	1.71	210.65	9,195.26	71.31	93.70	52.73	117.75
9,300.00	2.31	217.96	9,295.20	68.44	91.70	53.26	114.42
9,400.00	2.56	223.62	9,395.11	65.23	88.92	53.74	110.28
9,500.00	2.63	229.67	9,495.01	62.13	85.63	54.04	105.80
9,600.00	2.41	240.02	9,594.91	59.60	82.06	54.01	101.42
9,700.00	2.38	251.85	9,694.83	57.90	78.27	53.51	97.35
9,800.00	2.54	255.96	9,794.74	56.71	74.14	52.59	93.35
9,900.00	2.02	259.58	9,894.66	55.86	70.26	51.51	89.76

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SDI Standard Survey Report



Company: REGENERATION ENERGY CORP
 Project: Antelope Ridge
 Site: Lea County, NM
 Well: Lepakast State Com #1Y
 Wellbore: VH - Job #32K0612667
 Design: VH - Job #32K0612667

Local Co-ordinate Reference: Well Lepakast State Com #1Y
 TVD Reference: WELL @ 0.00usft (Original Well Elev)
 MD Reference: WELL @ 0.00usft (Original Well Elev)
 North Reference: Grid
 Survey Calculation Method: Minimum Curvature
 Database: EDM-Regulatory

Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	True Vertical Depth	North/South (usft)	East/West (usft)	Closure Azimuth (°)	Closure Distance (usft)
10,000.00	1.60	240.68	9,994.61	54.86	67.31	50.82	86.83
10,100.00	1.58	229.60	10,094.57	53.28	65.04	50.68	84.08
10,200.00	1.70	220.74	10,194.53	51.26	63.02	50.88	81.24
10,300.00	1.73	214.33	10,294.48	48.89	61.20	51.38	78.33
10,400.00	1.72	212.22	10,394.44	46.37	59.55	52.09	75.48
10,500.00	1.85	211.95	10,494.39	43.73	57.90	52.93	72.56
10,600.00	1.91	193.12	10,594.34	40.74	56.67	54.28	69.79
10,700.00	2.01	170.54	10,694.28	37.39	56.58	56.54	67.81
10,800.00	3.10	169.22	10,794.18	33.00	57.37	60.09	66.19
10,900.00	3.78	174.02	10,894.00	27.07	58.22	65.06	64.20
11,000.00	3.17	159.72	10,993.82	21.20	59.52	70.40	63.18
11,100.00	2.35	156.34	11,093.70	16.72	61.30	74.74	63.54
11,200.00	1.44	156.65	11,193.64	13.69	62.62	77.67	64.10
11,300.00	0.97	154.24	11,293.62	11.78	63.49	79.49	64.57
11,400.00	0.64	153.54	11,393.61	10.52	64.11	80.68	64.96
11,500.00	0.60	140.44	11,493.60	9.61	64.69	81.55	65.40
11,600.00	0.50	133.19	11,593.60	8.91	65.34	82.24	65.94
11,700.00	0.59	68.08	11,693.60	8.80	66.14	82.42	66.72

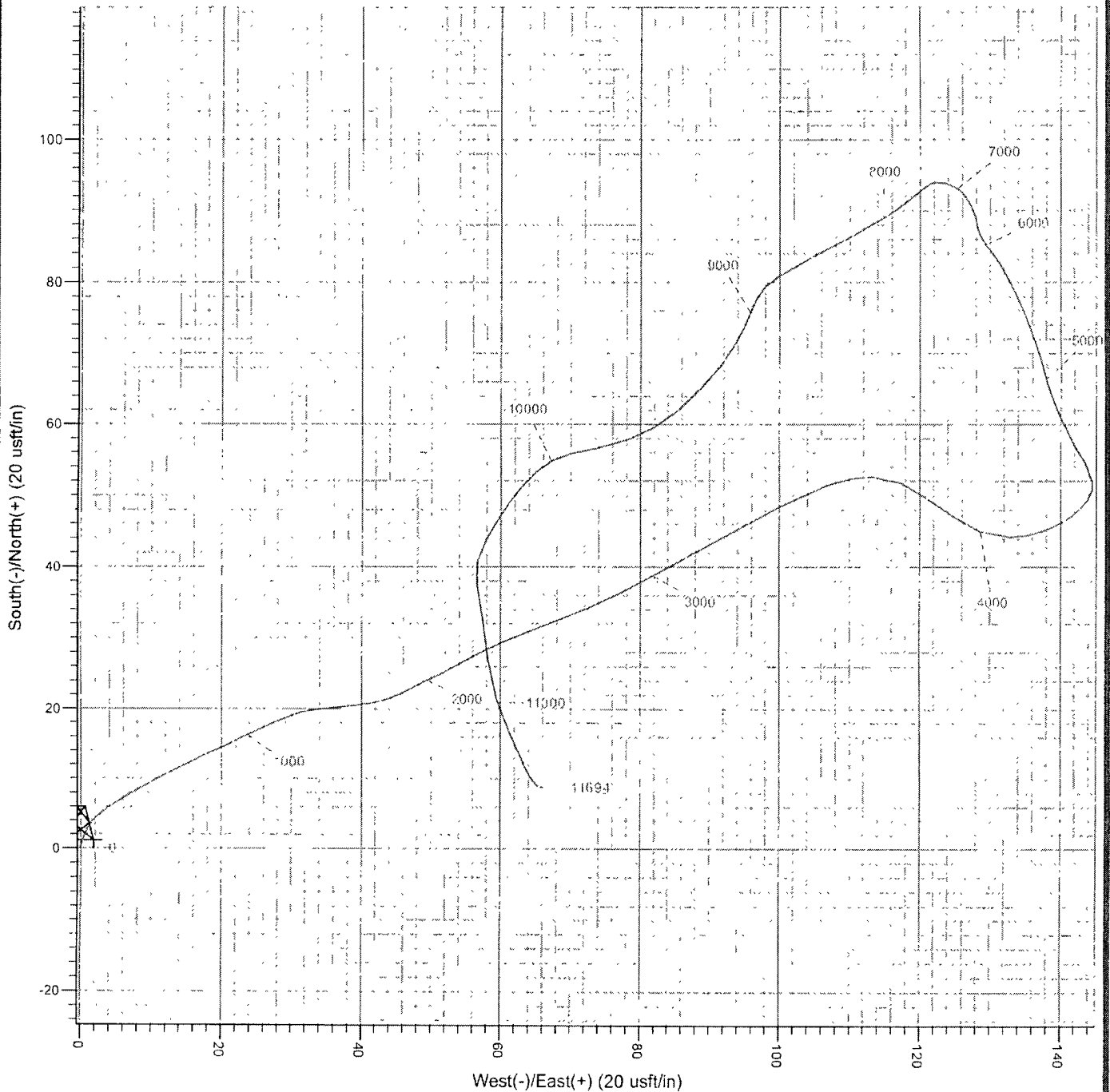


Scientific Drilling
Directional Drilling Operations

Project: Antelope Ridge
Lea County, NM
Well: Lepakast State Com #1Y
Wellbore: VH - Job #32K0612667
Design: VH - Job #32K0612667

WELL DETAILS: Lepakast State Com #1Y
WELL @ 0.00usft (Original Well Elev)
Ground Level. 0 00

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	468248.69	783493.72	32° 17' 2.400 N	103° 24' 57.600 W	



PROJECT DETAILS: Antelope Ridge	SITE DETAILS: Lea County, NM
Geodetic System: US State Plane 1927 (Exact solution)	Site Centre Latitude: 32° 16' 12.000 N
Datum: NAD 1927 (NADCON CONUS)	Longitude: 103° 25' 30.000 W
Ellipsoid: Clarke 1866	Positional Uncertainty: 0.00
Zone: New Mexico East 3001	Convergence: 0.49
System Datum: Mean Sea Level	Local North: Grid