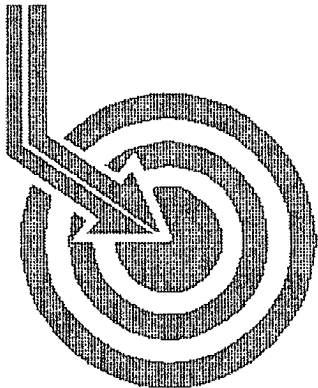


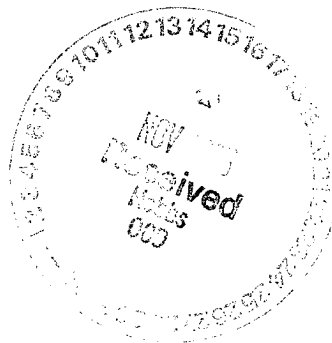


Scientific Drilling

SUR: H-27-18s-35e, 1700/N & 760/E
BHL: G-27-18s-35e, 1395/N & 1952/E
API #30-025-37299

PALADIN

Field: South Vacuum
Site: Lea County, NM
Well: South Vacuum Unit #27-5
Wellpath: VH - Job #32K0705498
Survey: 07/11/05



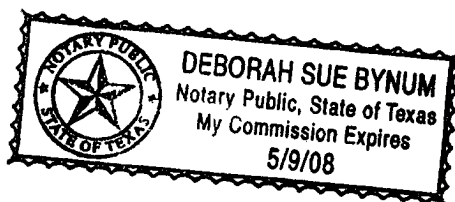
This survey is correct to the best of my knowledge
and is supported by actual field data.

[Signature] Company Representative

Notorized this date 29th of August, 2005.

Deborah Sue Bynum

Notary Signature
County of Midland
State of Texas





Scientific Drilling International

Survey Report

Company: PALADIN	Date: 8/23/2005	Time: 20:35:18	Page: 1
Field: South Vacuum	Co-ordinate(NE) Reference:	Site: Lea County, NM, Grid North	
Site: Lea County, NM	Vertical (TVD) Reference:	SITE 0.0	
Well: South Vacuum Unit #27-5	Section (VS) Reference:	Well (0.00N,0.00E,283.00Azi)	
Wellpath: VH - Job #32K0705498	Survey Calculation Method:	Minimum Curvature	Db: Sybase

Survey: 07/11/05	Start Date: 7/11/2005
Company: Scientific Drilling Internatio	Engineer: Gonzales w/P&M
Tool: Keeper;Keeper Gyro	Tied-to: From Surface

Survey

MD ft	Incl deg	Azim deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.22	316.29	100.00	0.16	0.14	-0.13	0.22	0.19	316.29
200.00	0.08	252.80	200.00	0.38	0.26	-0.33	0.20	0.42	307.73
300.00	0.27	212.33	300.00	0.52	0.04	-0.52	0.22	0.53	274.05
400.00	0.51	207.61	400.00	0.71	-0.56	-0.86	0.24	1.02	237.01
500.00	0.53	200.03	499.99	0.88	-1.39	-1.22	0.07	1.85	221.41
600.00	0.47	180.53	599.99	0.85	-2.23	-1.38	0.18	2.62	211.82
700.00	0.47	185.48	699.99	0.70	-3.05	-1.43	0.04	3.37	205.08
800.00	0.41	209.94	799.98	0.76	-3.77	-1.64	0.20	4.11	203.59
900.00	0.49	201.45	899.98	0.92	-4.47	-1.98	0.10	4.89	203.86
1000.00	0.40	207.36	999.98	1.07	-5.18	-2.30	0.10	5.67	203.90
1100.00	0.37	206.37	1099.97	1.23	-5.78	-2.60	0.03	6.34	204.21
1200.00	0.51	205.66	1199.97	1.41	-6.47	-2.94	0.14	7.11	204.40
1300.00	0.31	205.13	1299.97	1.56	-7.12	-3.24	0.20	7.82	204.50
1400.00	0.44	213.12	1399.97	1.75	-7.68	-3.57	0.14	8.47	204.91
1500.00	0.59	214.09	1499.96	2.07	-8.43	-4.07	0.15	9.36	205.75
1600.00	0.52	196.56	1599.96	2.28	-9.29	-4.48	0.18	10.32	205.76
1700.00	0.44	194.87	1699.95	2.32	-10.10	-4.71	0.08	11.15	205.01
1800.00	0.24	213.54	1799.95	2.41	-10.65	-4.93	0.23	11.73	204.83
1900.00	0.15	10.92	1899.95	2.48	-10.69	-5.02	0.38	11.81	205.14
2000.00	0.17	55.46	1999.95	2.39	-10.48	-4.87	0.12	11.56	204.93
2100.00	0.07	49.35	2099.95	2.25	-10.36	-4.70	0.10	11.37	204.42
2200.00	0.14	41.55	2199.95	2.16	-10.22	-4.57	0.07	11.20	204.11
2300.00	0.06	2.51	2299.95	2.11	-10.08	-4.49	0.10	11.04	204.02
2400.00	0.23	345.79	2399.95	2.21	-9.83	-4.54	0.17	10.83	204.78
2500.00	0.27	346.27	2499.95	2.41	-9.41	-4.64	0.04	10.49	206.27
2600.00	0.15	353.71	2599.95	2.56	-9.05	-4.71	0.12	10.21	207.51
2700.00	0.15	14.06	2699.95	2.60	-8.79	-4.70	0.05	9.97	208.11
2800.00	0.16	26.94	2799.95	2.56	-8.54	-4.60	0.04	9.70	208.31
2900.00	0.32	7.27	2899.95	2.56	-8.14	-4.50	0.18	9.30	208.95
3000.00	0.21	358.66	2999.95	2.63	-7.68	-4.47	0.12	8.89	210.21
3100.00	0.41	22.83	3099.95	2.61	-7.17	-4.34	0.23	8.38	211.18
3200.00	0.47	55.29	3199.94	2.28	-6.60	-3.86	0.25	7.65	210.31
3300.00	0.49	59.49	3299.94	1.69	-6.15	-3.16	0.04	6.92	207.15
3400.00	0.46	48.53	3399.94	1.15	-5.67	-2.49	0.10	6.19	203.68
3500.00	0.46	35.27	3499.93	0.76	-5.08	-1.95	0.11	5.44	201.05
3600.00	0.94	312.70	3599.93	1.32	-4.19	-2.33	0.99	4.79	209.01
3700.00	1.56	308.20	3699.90	3.27	-2.80	-4.00	0.63	4.88	235.04
3800.00	2.71	308.92	3799.83	6.62	-0.47	-6.91	1.15	6.92	266.12
3874.00	3.45	304.08	3873.72	10.28	1.88	-10.11	1.06	10.28	280.52

Leam Drilling Systems Survey Report

Company: PALADIN OIL & GAS
Field: LEA COUNTY, NEW MEXICO
Site: South Vacuum Unit #27 - 5
Well: SVU #27 - 5
Wellpath: C5296

Date: 9/9/2005 Time: 16:40:47 Page: 1
Co-ordinate(N/E) Reference: Well: SVU #27 - 5, Grid North
Vertical (TVD) Reference: SITE 0.0
Section (VS) Reference: Well (0.00N,0.00E,284.31Az)
Survey Calculation Method: Minimum Curvature Dir: Adapt

Survey: Survey #2

Start Date: 7/13/2005

Company: Leam Drilling Systems
Tool:Engineer: Dwayne Smith
Tied-to: From: Gyro

Well: SVU #27 - 5

Slot Name:

Well Position: +N/-S 0.00 ft Northing: 627189.30 ft Latitude: 32 43 15.769 N
+E/-W 0.00 ft Easting: 775173.90 ft Longitude: 103 28 18.971 W
Position Uncertainty: 0.00 ft

Annotation

MD ft	TVD ft	
3874.00	3873.72	TIED INTO SCIENTIFIC GYRO
14009.00	13862.93	3804 - 14009 LEAM MWD
14105.00	13958.92	PROJECTION TO TD

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	ClsD ft	ClsAzim deg	Deg/leg deg/100ft	Comment
3874.00	3.45	304.08	3873.72	1.88	-10.11	10.28	10.28	280.52	0.00	
3904.00	3.40	306.10	3903.67	2.91	-11.58	11.94	11.94	284.10	0.44	
3998.00	3.70	301.30	3998.49	6.16	-16.47	17.49	17.59	290.50	0.44	
4095.00	5.10	293.40	4094.20	9.46	-23.04	24.66	24.91	292.33	1.59	
4180.00	7.40	287.60	4188.63	12.99	-32.74	34.94	35.23	291.64	2.51	
4285.00	9.40	284.60	4282.81	16.80	-46.09	48.81	49.05	290.03	2.15	
4380.00	11.80	286.10	4375.98	21.45	-62.93	66.28	66.48	288.82	2.54	
4475.00	14.40	284.80	4468.50	27.16	-83.68	87.80	87.98	287.98	2.75	
4567.00	14.90	283.80	4557.51	32.86	-106.24	111.07	111.21	287.19	0.64	
4663.00	15.30	283.80	4650.20	38.79	-130.54	136.07	136.18	286.55	0.42	
4756.00	14.80	284.50	4740.01	44.69	-153.95	160.22	160.31	286.19	0.57	
4852.00	15.70	280.90	4832.63	50.21	-178.58	185.45	185.51	285.71	1.38	
4984.00	15.50	281.60	4959.76	57.14	-213.40	220.90	220.91	284.99	0.21	
5045.00	15.60	282.70	5018.53	60.58	-229.38	237.24	237.25	284.79	0.51	
5141.00	15.60	283.30	5111.00	66.39	-254.54	263.05	263.05	284.62	0.17	
5238.00	16.50	284.50	5204.21	72.84	-280.57	289.66	289.87	284.55	0.99	
5332.00	16.00	284.50	5294.46	79.42	-306.03	316.17	316.17	284.55	0.53	
5429.00	16.00	282.30	5387.70	85.82	-332.04	342.90	342.90	284.48	0.63	
5523.00	16.30	282.30	5477.99	91.19	-357.58	369.03	369.03	284.31	0.32	
5619.00	15.60	283.40	5570.30	97.05	-383.30	395.40	395.40	284.21	0.79	
5714.00	14.80	284.50	5661.97	103.05	-407.48	420.30	420.30	284.19	0.90	
5811.00	14.20	285.20	5755.88	109.27	-430.95	444.59	444.59	284.23	0.64	
5907.00	14.90	286.80	5848.80	115.88	-454.14	468.69	468.69	284.31	0.82	
6003.00	14.80	285.60	5941.60	122.71	-477.78	493.28	493.29	284.40	0.29	
6100.00	13.90	284.50	6035.57	128.96	-500.99	517.32	517.32	284.43	0.97	
6196.00	14.10	284.10	6128.72	134.69	-523.50	540.55	540.55	284.43	0.23	
6292.00	14.70	285.20	6221.70	140.73	-546.59	564.42	564.42	284.44	0.69	
6389.00	13.90	283.30	6315.70	146.64	-569.81	588.37	588.38	284.43	0.96	
6485.00	13.80	283.20	6408.90	151.91	-592.18	611.35	611.35	284.39	0.11	
6582.00	14.40	283.80	6502.98	157.49	-615.16	634.98	634.98	284.35	0.64	
6678.00	14.60	282.80	6595.92	162.98	-638.54	659.01	659.01	284.32	0.31	
6775.00	14.60	282.80	6689.79	168.43	-662.38	683.46	683.46	284.27	0.00	
6870.00	14.50	282.30	6781.74	173.84	-686.67	707.31	707.31	284.21	0.19	
6967.00	13.90	283.90	6875.78	179.03	-708.84	731.10	731.10	284.17	0.74	
7063.00	13.80	283.30	6968.99	184.43	-731.18	754.08	754.08	284.16	0.18	
7159.00	13.50	284.40	7062.28	189.85	-753.17	776.73	776.73	284.15	0.41	
7256.00	12.00	284.60	7156.88	195.21	-773.90	798.14	798.14	284.16	1.55	

Leam Drilling Systems Survey Report

Company: PALADIN OIL & GAS
Field: LEA COUNTY, NEW MEXICO
Site: South Vacuum Unit #27 - 5
Well: SVU #27 - 5
Wellpath: Q5298

Date: 8/9/2005 Time: 16:40:47 Page: 2
Co-ordinates(NE) Reference: Well: SVU #27 - 5, Grid North
Vertical (TVD) Reference: SITE 0.0
Section (VS) Reference: Well (0.00N,0.00E,284.31Azi)
Survey Calculation Method: Minimum Curvature Db: Adapti

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	ClsD ft	ClsAzim deg	Dogleg deg/100ft	Comment
7352.00	12.90	277.80	7250.63	199.14	-794.18	818.76	818.77	284.08	1.83	
7447.00	14.60	277.80	7342.90	202.17	-816.56	841.19	841.21	283.91	1.79	
7544.00	13.50	283.10	7437.01	206.40	-839.70	864.66	864.69	283.81	1.74	
7642.00	14.00	285.90	7532.20	212.24	-862.24	887.94	887.97	283.83	0.85	
7737.00	12.80	286.10	7624.61	218.30	-883.40	909.95	909.98	283.88	1.26	
7833.00	13.50	287.20	7716.09	224.56	-904.32	931.77	931.79	283.95	0.77	
7930.00	13.10	283.80	7812.49	230.54	-925.82	954.07	954.09	283.98	0.91	
8025.00	14.20	284.20	7904.81	235.96	-947.57	976.49	976.50	283.98	1.16	
8122.00	14.40	283.80	7998.80	241.76	-970.81	1000.45	1000.46	283.98	0.23	
8218.00	15.60	283.60	8091.53	247.64	-994.95	1025.29	1025.31	283.98	1.25	
8315.00	14.20	280.90	8186.27	252.96	-1019.32	1050.21	1050.23	283.94	1.61	
8410.00	13.00	280.10	8277.60	257.03	-1041.28	1072.50	1072.53	283.87	1.28	
8508.00	11.60	280.00	8373.35	260.68	-1061.83	1093.32	1093.36	283.79	1.43	
8604.00	11.00	286.10	8467.49	264.89	-1080.14	1112.10	1112.15	283.78	1.39	
8701.00	10.20	289.50	8562.84	270.33	-1097.13	1129.90	1129.94	283.84	1.05	
8797.00	9.80	285.30	8657.38	275.32	-1113.02	1146.54	1146.57	283.89	0.87	
8894.00	8.20	287.00	8753.18	279.52	-1127.60	1161.70	1161.73	283.92	1.67	
8990.00	7.30	283.40	8848.30	282.94	-1140.08	1174.64	1174.66	283.94	1.06	
9087.00	5.80	276.80	8944.67	284.95	-1150.94	1185.66	1185.69	283.91	1.73	
9183.00	4.00	283.90	9040.32	286.33	-1159.01	1193.82	1193.85	283.88	1.98	
9279.00	2.70	305.50	9136.15	288.44	-1164.10	1199.28	1199.30	283.92	1.86	
9375.00	0.90	326.10	9232.10	290.38	-1166.36	1201.95	1201.97	283.98	1.96	
9470.00	0.70	343.10	9327.09	291.56	-1166.95	1202.80	1202.82	284.03	0.32	
9566.00	0.70	38.50	9423.09	292.58	-1166.75	1202.87	1202.88	284.08	0.68	
9662.00	0.90	67.30	9519.08	293.33	-1165.69	1202.02	1202.03	284.12	0.48	
9759.00	1.50	100.20	9616.06	293.40	-1163.74	1200.15	1200.15	284.15	0.92	
9855.00	0.70	202.40	9712.05	292.63	-1162.73	1198.98	1198.98	284.13	1.86	
9951.00	1.60	150.50	9808.03	290.92	-1162.29	1198.13	1198.15	284.05	1.35	
10048.00	1.00	120.50	9905.00	289.31	-1160.89	1196.38	1196.40	283.99	0.92	
10144.00	1.60	61.90	10000.98	289.52	-1158.99	1194.59	1194.60	284.03	1.43	
10240.00	1.00	130.80	10086.96	289.60	-1157.17	1192.85	1192.86	284.05	1.62	
10337.00	0.60	91.20	10193.95	289.04	-1156.02	1191.60	1191.61	284.04	0.68	
10433.00	0.40	105.40	10289.95	288.94	-1155.20	1190.77	1190.79	284.04	0.24	
10530.00	1.30	37.00	10386.94	289.73	-1154.21	1190.01	1190.02	284.09	1.25	
10626.00	2.00	20.30	10482.90	292.17	-1152.97	1189.41	1189.42	284.22	0.88	
10722.00	2.10	335.90	10578.84	295.35	-1153.11	1190.33	1190.33	284.37	1.62	
10818.00	2.80	323.90	10674.76	298.85	-1155.21	1193.23	1193.24	284.50	0.90	
10914.00	2.10	335.90	10770.67	302.35	-1157.31	1196.13	1196.15	284.64	0.90	
11011.00	1.90	314.10	10867.61	305.09	-1159.19	1198.63	1198.67	284.75	0.81	
11107.00	2.00	303.60	10963.55	307.12	-1161.73	1201.59	1201.64	284.81	0.39	
11203.00	1.80	309.30	11059.50	309.01	-1164.29	1204.54	1204.60	284.88	0.29	
11300.00	1.90	346.50	11156.45	311.53	-1165.84	1206.67	1206.75	284.96	1.22	
11396.00	2.10	359.80	11252.40	314.84	-1166.22	1207.86	1207.97	285.11	0.52	
11502.00	2.50	14.60	11358.31	319.02	-1165.65	1208.33	1208.51	285.31	0.67	
11599.00	3.70	38.50	11455.17	323.52	-1163.16	1207.04	1207.32	285.54	1.79	
11695.00	4.00	55.10	11550.96	327.86	-1158.49	1203.58	1203.99	285.80	1.20	
11792.00	1.50	71.00	11647.84	330.21	-1154.51	1200.31	1200.81	285.96	2.67	
11889.00	0.70	357.10	11744.83	331.21	-1153.34	1199.42	1199.96	286.02	1.51	
11985.00	1.00	4.30	11840.81	332.63	-1153.31	1199.74	1200.32	286.09	0.33	
12082.00	0.90	16.50	11937.80	334.21	-1153.03	1199.86	1200.48	286.16	0.23	
12177.00	0.90	40.70	12032.79	335.49	-1152.33	1199.50	1200.18	286.23	0.40	
12274.00	0.60	0.30	12129.78	336.57	-1151.83	1199.28	1200.00	286.29	0.61	
12370.00	0.90	320.70	12225.77	337.66	-1152.31	1200.01	1200.76	286.33	0.61	

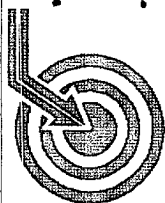
Leam Drilling Systems Survey Report

Company: PALADIN OIL & GAS
Field: LEA COUNTY, NEW MEXICO
Site: South Vacuum Unit #27 - 5
Well: SVU #27 - 5
Wellpath: Q5298

Date: 9/9/2005 Time: 15:40:47 Page: 3
Co-ordinate(NS) Reference: Well: SVU #27 - 5, Grid North
Vertical (TVD) Reference: SITE: 0.0
Section (VS) Reference: Well: (0.00N, 0.00E, 284.31A2)
Survey Calculation Method: Minimum Curvature Db: Adapt

Survey

MID ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	ClsD ft	ClsAzim deg	Degleg deg/100ft	Comment
12463.00	0.70	333.10	12318.77	338.73	-1153.03	1200.97	1201.75	286.37	0.28	
12557.00	1.30	15.00	12412.75	340.27	-1153.01	1201.34	1202.17	286.44	0.97	
12651.00	1.00	70.20	12506.74	341.58	-1151.86	1200.85	1201.54	286.52	1.17	
12769.00	0.00	303.50	12624.73	341.93	-1150.99	1199.79	1200.71	286.55	0.85	
12864.00	2.20	234.90	12719.71	340.88	-1152.49	1200.96	1201.84	286.48	2.32	
12960.00	5.10	233.30	12815.50	337.27	-1157.42	1204.86	1205.56	286.25	3.02	
13055.00	3.80	227.80	12910.21	332.63	-1163.13	1209.26	1209.76	285.96	1.44	
13150.00	3.50	221.50	13005.02	328.35	-1167.39	1212.32	1212.69	285.71	0.53	
13246.00	3.80	217.10	13100.83	323.61	-1171.25	1214.89	1215.13	285.45	0.43	
13341.00	3.50	221.30	13195.63	318.93	-1175.06	1217.43	1217.57	285.18	0.42	
13437.00	3.70	217.40	13291.44	314.26	-1178.88	1219.97	1220.05	284.93	0.33	
13532.00	3.70	219.30	13386.25	309.46	-1182.68	1222.47	1222.50	284.66	0.13	
13628.00	3.10	230.90	13482.08	305.42	-1186.66	1225.33	1225.33	284.43	0.95	
13723.00	2.40	283.80	13578.97	302.63	-1190.26	1228.12	1228.12	284.27	0.75	
13818.00	0.50	3.70	13671.94	301.87	-1191.83	1229.47	1229.47	284.21	2.89	
13914.00	0.60	287.90	13767.94	302.44	-1192.29	1230.04	1230.05	284.23	0.71	
14009.00	0.80	331.70	13862.93	303.17	-1193.07	1230.99	1230.99	284.26	0.58	
14105.00	1.00	64.70	13958.92	304.12	-1192.63	1230.80	1230.80	284.31	1.37	



Scientific
Drilling

Field: South Vacuum
Site: Lea County, NM
Well: South Vacuum Unit #27-5
Wellpath: VH - Job #32K0705498
Survey: 07/11/05

