

30.005.63766

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BOSTON

McKay Oil Corporation

Chaves County, New Mexico

South Four Mile Draw C

Federal #1H

Wellbore #1

22-6S-22E

Plan: Plan #1

Standard Planning Report

28 June, 2006

Crescent Directional Drilling

Planning Report

Database: COMPASS_2003.11_CDDSVR
Company: McKay Oil Corporation
Project: Chaves County, New Mexico
Site: South Four Mile Draw C
Well: Federal #1H
Wellbore: Wellbore #1
Design: Plan #1

Local Co-ordinate Reference: Well Federal #1H
TVD Reference: RKB Unknown @ 0.00ft (Rig Unknown)
MD Reference: RKB Unknown @ 0.00ft (Rig Unknown)
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Project Chaves County, New Mexico
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 South Four Mile Draw C

Site Position:
From: None
Position Uncertainty: 0.00 ft
Northing: ft
Easting: ft
Slot Radius: in
Latitude:
Longitude:
Grid Convergence: 0.00 °

Well Federal #1H

Well Position +N/-S 0.00 ft Northing: 0.00 ft Latitude:
 +E/-W 0.00 ft Easting: 0.00 ft Longitude:
Position Uncertainty 0.00 ft Wellhead Elevation: ft Ground Level: 0.00 ft

Wellbore Wellbore #1

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2005-10	6/28/2006			

Design Plan #1

Audit Notes:

Version: Phase: PROTOTYPE Tie On Depth: 0.00

Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	180.00

Plan Sections

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,272.53	0.00	0.00	2,272.53	0.00	0.00	0.00	0.00	0.00	0.00	
3,022.53	90.00	180.00	2,750.00	-477.47	0.00	12.00	12.00	0.00	180.00	
4,222.53	90.00	180.00	2,750.00	-1,677.47	0.00	0.00	0.00	0.00	0.00	

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Local Co-ordinate Reference:
TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:

Well Federal #1H
RKB Unknown @ 0.00ft (Rig Unknown)
RKB Unknown @ 0.00ft (Rig Unknown)
Grid
Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,050.00	0.00	0.00	1,050.00	0.00	0.00	0.00	0.00	0.00	0.00
8 5/8"									
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,272.53	0.00	0.00	2,272.53	0.00	0.00	0.00	0.00	0.00	0.00
Kickoff @ 2272.54' TVD, 12.00° DLS									
2,300.00	3.30	180.00	2,299.98	-0.79	0.00	0.79	12.00	12.00	0.00
2,400.00	15.30	180.00	2,398.49	-16.91	0.00	16.91	12.00	12.00	0.00
2,500.00	27.30	180.00	2,491.49	-53.17	0.00	53.17	12.00	12.00	0.00
2,600.00	39.30	180.00	2,574.92	-107.96	0.00	107.96	12.00	12.00	0.00
2,700.00	51.30	180.00	2,645.14	-178.91	0.00	178.91	12.00	12.00	0.00
2,800.00	63.30	180.00	2,699.07	-262.90	0.00	262.90	12.00	12.00	0.00
2,900.00	75.30	180.00	2,734.36	-356.27	0.00	356.27	12.00	12.00	0.00
3,000.00	87.30	180.00	2,749.46	-454.94	0.00	454.94	12.00	12.00	0.00
3,022.53	90.00	180.00	2,750.00	-477.47	0.00	477.47	12.00	12.00	0.00
End Build @ 3022.53' MD / 2750.00' TVD, 90.00°, 180.00° Azi									
3,100.00	90.00	180.00	2,750.00	-554.93	0.00	554.93	0.00	0.00	0.00
3,200.00	90.00	180.00	2,750.00	-654.93	0.00	654.93	0.00	0.00	0.00
3,300.00	90.00	180.00	2,750.00	-754.93	0.00	754.93	0.00	0.00	0.00
3,400.00	90.00	180.00	2,750.00	-854.93	0.00	854.93	0.00	0.00	0.00
3,500.00	90.00	180.00	2,750.00	-954.93	0.00	954.93	0.00	0.00	0.00
3,600.00	90.00	180.00	2,750.00	-1,054.93	0.00	1,054.93	0.00	0.00	0.00
3,700.00	90.00	180.00	2,750.00	-1,154.93	0.00	1,154.93	0.00	0.00	0.00
3,800.00	90.00	180.00	2,750.00	-1,254.93	0.00	1,254.93	0.00	0.00	0.00
3,900.00	90.00	180.00	2,750.00	-1,354.93	0.00	1,354.93	0.00	0.00	0.00
4,000.00	90.00	180.00	2,750.00	-1,454.93	0.00	1,454.93	0.00	0.00	0.00
4,100.00	90.00	180.00	2,750.00	-1,554.93	0.00	1,554.93	0.00	0.00	0.00
4,200.00	90.00	180.00	2,750.00	-1,654.93	0.00	1,654.93	0.00	0.00	0.00
Abo Formation									
4,222.53	90.00	180.00	2,750.00	-1,677.47	0.00	1,677.47	0.00	0.00	0.00
TD / PBHL @ 4222.53' MD									

Crescent Directional Drilling

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 Wellbore: Wellbore #1
 Design: Plan #1

Local Co-ordinate Reference: Well Federal #1H
 TVD Reference: RKB Unknown @ 0.00ft (Rig Unknown)
 MD Reference: RKB Unknown @ 0.00ft (Rig Unknown)
 North Reference: Grid
 Survey Calculation Method: Minimum Curvature

Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S ft	+E/-W ft	Northing (ft)	Easting (ft)	Latitude	Longitude
PBHL (FEDERAL 1H)	0.00	0.00	2,750.00	-1,677.46	0.00	-1,677.46	0.00	30° 59' 07.914" N	105° 55' 43.861" W
- hit/miss target									
- Shape									
- Point									
- plan misses by 222.53ft at 4000.00ft MD (2750.00 TVD, -1454.93 N, 0.00 E)									
Abo Formation Bottom	0.00	0.00	2,775.00	0.00	0.00	0.00	0.00	30° 59' 24.512" N	105° 55' 44.137" W
- plan misses by 221.07ft at 2700.00ft MD (2645.14 TVD, -178.91 N, 0.00 E)									
- Rectangle (sides W4,444.00 H0.00 D0.00)									

Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (in)	Hole Diameter (in)
1,050.00	1,050.00	8 5/8"	8.625	11.000

Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
4,200.00	2,750.00	Abo Formation		0.00	

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
2,272.54	2,272.54	0.00	0.00	Kickoff @ 2272.54' TVD, 12.00° DLS
3,022.53	2,750.00	-477.47	0.00	End Build @ 3022.53' MD / 2750.00' TVD, 90.00°, 180.00° Azi
4,222.53	2,750.00	-1,677.47	0.00	TD / PBHL @ 4222.53' MD



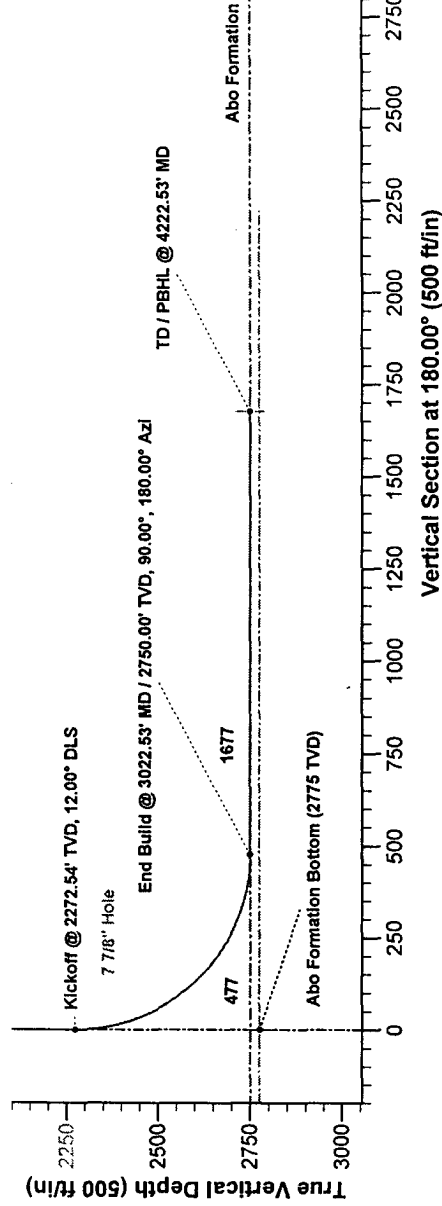
McKay Oil Corporation
Federal #1H
Chaves County, New Mexico
Plan #1

Surface Location	Ground Elevation: 0.00 RKB Unknown @ 0.00ft (Rig Unknown)			
+N/-S 0.00	+E/-W 0.00	Northing 0.00	Eastings 0.00	Slot
		Latitude NaN°NaN'NaN"	Longitude NaN°NaN'NaN"	

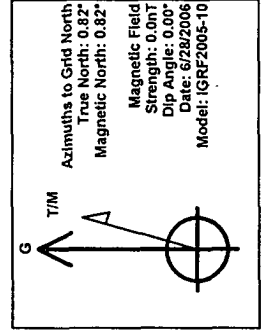
TARGET LOCATIONS				
Name	TVD	+N/-S	+E/-W	Shape
PBHL (FEDERAL 1H)	2750.00	-1677.46	0.00	Point

FORMATION TOP DETAILS	
NoTVDPath	MDPath Formation
1	2750.00 4200.00 Abo Formation

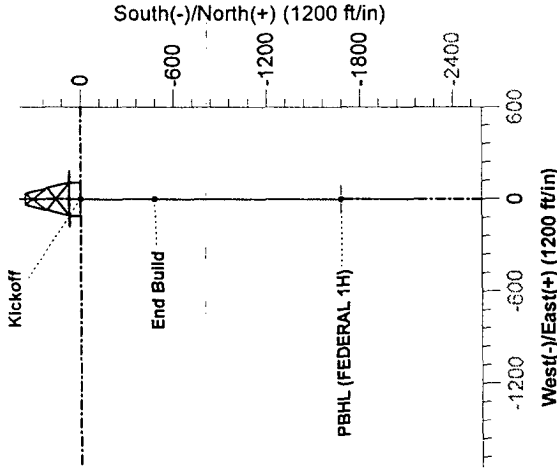
Note:
Ground Elevation data not provided
RKB Height not provided
Surface Location coordinates to be determined



Phil Lyons 6/28/2006



SECTION DETAILS									
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	2272.53	0.00	0.00	2272.53	0.00	0.00	0.00	0.00	0.00
3	3022.53	90.00	180.00	2750.00	-477.47	0.00	12.00	180.00	477.47
4	4222.53	90.00	180.00	2750.00	-1677.47	0.00	0.00	0.00	1677.47



CASING DETAILS			
No	TVD	MD	Size
1	1050.00	1050.00	8 5/8"

PROJECT DETAILS: Chaves County, New Mexico	
Geodetic System: US State Plane 1927 (Exact solution)	
Datum: NAD 1927 (NADCON CONUS)	
Ellipsoid: Clarke 1866	
Zone: New Mexico East 3001	