

|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     |                                                 |                                        |                                                          |                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|----------------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| Submit within 45 days of well completion                                                                                                                                                                                     | State of New Mexico<br>Energy, Minerals and Natural Resources<br>Oil Conservation Division<br>1220 S. St Francis Dr.<br>Santa Fe, NM 87505 | Revised February 15, 2012                                                                                                           |                                                 |                                        |                                                          |                                                          |
|                                                                                                                                                                                                                              |                                                                                                                                            | 1. WELL API NO.<br>30-015-39735                                                                                                     |                                                 |                                        |                                                          |                                                          |
| 2. Well Name:<br>CANYON BJK STATE COM #002H                                                                                                                                                                                  |                                                                                                                                            |                                                                                                                                     |                                                 |                                        |                                                          |                                                          |
|                                                                                                                                                                                                                              |                                                                                                                                            | 3. Well Number:<br>002H                                                                                                             |                                                 |                                        |                                                          |                                                          |
| HYDRAULIC FRACTURING FLUID DISCLOSURE<br><br><input checked="" type="checkbox"/> Original<br><br><input type="checkbox"/> Amendment                                                                                          |                                                                                                                                            | 4. Surface Hole Location:<br>Unit:O Lot:O Section:6 Township:25S Range:30E<br>Feet from:455 N/S Line:S<br>Feet from:2310 E/W Line:E |                                                 |                                        |                                                          |                                                          |
|                                                                                                                                                                                                                              |                                                                                                                                            | 5. Bottom Hole Location:<br>Unit:O Lot:O Section:6 Township:25S Range:30E<br>Feet from:455 N/S Line:S<br>Feet from:2310 E/W Line:E  |                                                 |                                        |                                                          |                                                          |
|                                                                                                                                                                                                                              |                                                                                                                                            | 6. latitude: longitude:<br>32.153351068605 -<br>103.919634641191                                                                    |                                                 |                                        |                                                          |                                                          |
|                                                                                                                                                                                                                              |                                                                                                                                            | 7. County:<br>Eddy                                                                                                                  |                                                 |                                        |                                                          |                                                          |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     |                                                 |                                        |                                                          |                                                          |
| 8. Operator Name and Address:<br>YATES PETROLEUM CORPORATION<br>105 S 4TH ST<br>ARTESIA 88210                                                                                                                                |                                                                                                                                            | 9. OGRID:<br>25575                                                                                                                  |                                                 | 10. Phone Number:                      |                                                          |                                                          |
| 11. Last Fracture Date: 6/19/2012 Frac Performed by: Schlumberger                                                                                                                                                            |                                                                                                                                            | 12. Production Type:<br>O                                                                                                           |                                                 |                                        |                                                          |                                                          |
| 13. Pool Code(s):<br>47545                                                                                                                                                                                                   |                                                                                                                                            | 14. Gross Fractured Interval:<br>9,605 ft to 14,225 ft                                                                              |                                                 |                                        |                                                          |                                                          |
| 15. True Vertical Depth (TVD):<br>9,277 ft                                                                                                                                                                                   |                                                                                                                                            | 16. Total Volume of Fluid Pumped:<br>42,728 bbls                                                                                    |                                                 |                                        |                                                          |                                                          |
| 17. HYDRAULIC FLUID COMPOSITION AND CONCENTRATION:                                                                                                                                                                           |                                                                                                                                            |                                                                                                                                     |                                                 |                                        |                                                          |                                                          |
| Trade Name                                                                                                                                                                                                                   | Supplier                                                                                                                                   | Purpose                                                                                                                             | Ingredients                                     | (CAS #)<br>Chemical Abstract Service # | Maximum Ingredient Concentration in Additive (% by mass) | Maximum Ingredient Concentration in HF Fluid (% by mass) |
| HCL 7.5%, WF110, WF120, YF120Flex                                                                                                                                                                                            | Schlumberger                                                                                                                               | Inhib,XL,FR,Biocide,Surf,Acid,Breaker,Gel,Chelant,Prop                                                                              | Water (Including Mix Water Supplied by Client)* |                                        | 0%                                                       | 83.628                                                   |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Crystalline silica                              | 14808-60-7                             | 96.60765%                                                | 15.81                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Carbohydrate polymer                            | Proprietary                            | 1.28129%                                                 | 0.209                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Phenolic resin                                  | 9003-35-4                              | 1.22676%                                                 | 0.200                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Tetramethylammonium chloride                    | 75-57-0                                | 0.60369%                                                 | 0.098                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Hydrochloric acid                               | 7647-01-0                              | 0.56206%                                                 | 0.092                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Aliphatic polyol                                | Proprietary                            | 0.42256%                                                 | 0.069                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Diammonium peroxidisulphate                     | 7727-54-0                              | 0.26863%                                                 | 0.043                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Potassium hydroxide                             | 1310-58-3                              | 0.21128%                                                 | 0.034                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Propan-2-ol                                     | 67-63-0                                | 0.15034%                                                 | 0.024                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Oxyalkylated Alcohol (2)                        | Proprietary                            | 0.15034%                                                 | 0.024                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Polyethylene glycol monohexyl ether             | 31726-34-8                             | 0.13383%                                                 | 0.021                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Aliphatic co-polymer                            | Proprietary                            | 0.08121%                                                 | 0.01                                                     |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Glutaraldehyde                                  | 111-30-8                               | 0.06625%                                                 | 0.010                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Tetrasodium ethylenediaminetetraacetate         | 64-02-8                                | 0.05588%                                                 | 0.009                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Heavy aromatic naphtha                          | 64742-94-5                             | 0.02562%                                                 | 0.004                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Sodium erythorbate                              | 6381-77-7                              | 0.00937%                                                 | 0.001                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Tetrakis(hydroxymethyl) phosphonium sulfate     | 55566-30-8                             | 0.00541%                                                 | 0.000                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Methanol                                        | 67-56-1                                | 0.00529%                                                 | 0.000                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Sodium hydroxide                                | 1310-73-2                              | 0.00466%                                                 | 0.000                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Aliphatic acids                                 | Proprietary                            | 0.00397%                                                 | 0.000                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Aliphatic alcohols, ethoxylated #2              | Proprietary                            | 0.00397%                                                 | 0.000                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Naphthalene                                     | 91-20-3                                | 0.00256%                                                 | 0.000                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | 1,2,4 trimethylbenzene                          | 95-63-6                                | 0.00256%                                                 | 0.000                                                    |
|                                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     | Prop-2-yn-1-ol                                  | 107-19-7                               | 0.00132%                                                 | 0.000                                                    |
| 4-nonylphenol, ethoxylated                                                                                                                                                                                                   | 26027-38-3                                                                                                                                 | 0.00128%                                                                                                                            | 0.000                                           |                                        |                                                          |                                                          |
| Trisodium nitrilotriacetate (impurity)                                                                                                                                                                                       | 5064-31-3                                                                                                                                  | 0.00093%                                                                                                                            | 0.000                                           |                                        |                                                          |                                                          |
| 18. I, as Operator, hereby certify that the information shown on this disclosure form is true and complete to the best of my knowledge and belief.                                                                           |                                                                                                                                            |                                                                                                                                     |                                                 |                                        |                                                          |                                                          |
| Signature: Signed Electronically Printed Name: Tina Huerta Regulatory Compliance Title: Supervisor                                                                                                                           |                                                                                                                                            |                                                                                                                                     |                                                 |                                        |                                                          |                                                          |
| Date: 7/11/2012                                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     |                                                 |                                        |                                                          |                                                          |
| E-mail Address: tinah@ypcnm.com                                                                                                                                                                                              |                                                                                                                                            |                                                                                                                                     |                                                 |                                        |                                                          |                                                          |
| NMOCD does not require the reporting of information beyond MSDS data as described in 29 CFR 1910.1200. NMOCD does not require the reporting or disclosure of proprietary, trade secret or confidential business information. |                                                                                                                                            |                                                                                                                                     |                                                 |                                        |                                                          |                                                          |