

Scientific Drilling

30-015-35108

YATES PETROLEUM

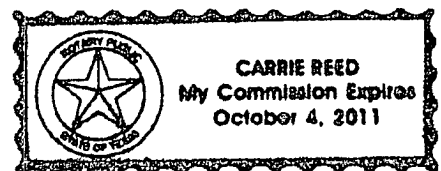
Field: Cedar Canyon
Site: Eddy County, NM
Well: Knoll Federal #2H
Wellpath: VH - Job #32K0508369
Survey: 05/22/08

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

[Signature].....Company Representative

Notorized this date 22nd of May, 2008.

[Signature]
Notary Signature
County of Midland
State of Texas





Scientific
Drilling

Scientific Drilling International Survey Report

Company: YATES PETROLEUM	Date: 05/23/2008	Time: 09:41:59	Page: 1
Field: Cedar Canyon	Co-ordinate(N/E) Reference:	Site: Eddy County, NM, True North	
Site: Eddy County, NM	Vertical (TYD) Reference:	SITE 0.0	
Well: Knoll Federal #2H	Section (VS) Reference:	Well (0.00N,0.00E,142.14Azi)	
Wellpath: VH - Job #32K0508369	Survey Calculation Method: Minimum Curvature	Db: Sybase	

Survey: 05/22/08	Start Date: 05/22/2008
Company: KSRG 0'-8387'	
Tool: Scientific Drilling Internatio	Engineer: Pena w/Gray
Tool: Keeper;Keeper Gyro	Tied-to: From Surface

Survey

MD ft	Incl deg	Azlm 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	0.36	282.28	100.00	-0.24	0.07	-0.31	0.36	0.31	282.28
200.00	0.48	303.72	200.00	-0.88	0.37	-0.96	0.20	1.03	290.83
300.00	0.64	353.72	299.99	-1.75	1.15	-1.37	0.50	1.79	310.07
400.00	1.87	33.65	399.97	-2.75	3.07	-0.53	1.44	3.11	350.22
500.00	2.77	50.24	499.89	-3.34	5.97	2.23	1.11	6.37	20.50
600.00	2.80	57.87	599.77	-3.18	8.82	6.16	0.37	10.75	34.94
700.00	2.33	57.46	699.67	-2.75	11.21	9.94	0.47	14.98	41.57
800.00	1.89	69.70	799.60	-2.06	12.87	13.20	0.63	18.44	45.72
900.00	1.61	82.23	899.55	-0.86	13.64	16.14	0.47	21.13	49.81
1000.00	1.91	93.13	999.51	0.94	13.73	19.20	0.45	23.60	54.42
1100.00	2.59	101.26	1099.43	3.74	13.20	23.08	0.75	26.59	60.22
1200.00	2.78	108.57	1199.32	7.47	11.99	27.59	0.39	30.08	66.51
1300.00	2.34	114.27	1299.22	11.29	10.38	31.75	0.51	33.40	71.90
1400.00	2.24	116.03	1399.14	14.85	8.68	35.37	0.12	36.42	76.21
1500.00	1.65	102.84	1499.08	17.72	7.50	38.53	0.74	39.25	78.98
1600.00	1.24	82.43	1599.05	19.38	7.33	41.00	0.65	41.65	79.87
1700.00	1.06	86.47	1699.03	20.45	7.53	43.00	0.20	43.65	80.07
1800.00	1.17	98.18	1799.01	21.71	7.44	44.93	0.25	45.54	80.60
1900.00	1.49	101.50	1898.99	23.43	7.03	47.22	0.33	47.74	81.53
2000.00	1.77	104.94	1998.94	25.65	6.37	49.98	0.30	50.39	82.73
2100.00	1.45	113.84	2098.91	27.99	5.47	52.63	0.41	52.92	84.07
2200.00	1.19	128.56	2198.88	30.11	4.31	54.60	0.43	54.77	85.49
2300.00	1.10	127.77	2298.86	32.05	3.07	56.17	0.09	56.26	86.87
2400.00	1.50	121.18	2398.83	34.20	1.81	58.05	0.43	58.08	88.22
2500.00	2.79	129.98	2498.76	37.81	-0.44	61.04	1.33	61.04	90.41
2600.00	3.76	135.47	2598.60	43.44	-4.34	65.20	1.02	65.35	93.81
2700.00	3.57	137.95	2698.39	49.80	-8.99	69.59	0.25	70.16	97.36
2800.00	4.48	146.59	2798.15	56.80	-14.56	73.82	1.09	75.24	101.16
2900.00	5.32	155.41	2897.78	65.21	-22.03	77.90	1.13	80.96	105.79
3000.00	5.39	157.12	2997.34	74.26	-30.58	81.66	0.17	87.19	110.53
3100.00	4.91	156.06	3096.94	82.95	-38.82	85.22	0.49	93.64	114.49
3200.00	4.39	151.99	3196.61	90.87	-46.11	88.75	0.62	100.01	117.45
3300.00	4.19	151.33	3296.33	98.25	-52.69	92.30	0.21	106.28	119.72
3400.00	4.21	152.27	3396.06	105.47	-59.14	95.76	0.07	112.56	121.70
3500.00	4.14	151.20	3495.80	112.65	-65.56	99.21	0.10	118.91	123.46
3600.00	4.12	149.11	3595.54	119.78	-71.80	102.79	0.15	125.39	124.93
3700.00	4.19	149.79	3695.27	126.97	-78.04	106.48	0.09	132.01	126.24
3800.00	4.14	149.66	3795.01	134.16	-84.31	110.14	0.05	138.71	127.44
3900.00	3.86	151.65	3894.77	141.06	-90.39	113.56	0.31	145.14	128.52
4000.00	3.96	150.86	3994.53	147.80	-96.37	116.84	0.11	151.46	129.52
4100.00	3.85	149.68	4094.30	154.54	-102.28	120.22	0.14	157.84	130.39
4200.00	3.63	149.65	4194.09	161.00	-107.91	123.51	0.22	164.01	131.14
4300.00	3.67	149.85	4293.89	167.31	-113.41	126.72	0.04	170.06	131.83
4400.00	3.52	149.76	4393.69	173.53	-118.83	129.87	0.15	176.03	132.46
4500.00	3.49	149.52	4493.50	179.59	-124.11	132.96	0.03	181.88	133.03
4600.00	3.52	149.46	4593.32	185.65	-129.38	136.06	0.03	187.75	133.56
4700.00	3.45	151.79	4693.13	191.66	-134.67	139.05	0.16	193.57	134.08
4800.00	3.21	151.83	4792.96	197.39	-139.79	141.79	0.24	199.11	134.59



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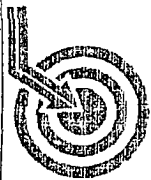
Survey Report

Company: YATES PETROLEUM
Field: Cedar Canyon
Site: Eddy County, NM
Well: Knoll Federal #2H
Wellpath: VH - Job #32K0508369

Date: 05/23/2008 Time: 09:41:59 Page: 2
Co-ordinate(NE) Reference: Site: Eddy County, NM, True North
Vertical (TVD) Reference: SITE 0.0
Section (VS) Reference: Well (0.00N,0.00E,142.14Azi).
Survey Calculation Method: Minimum Curvature Db: Sybase

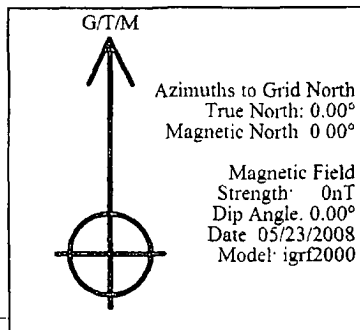
Survey

MD ft	Incl deg	Azim deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
4900.00	3.12	152.92	4892.81	202.82	-144.68	144.35	0.11	204.38	135.07
5000.00	3.05	153.52	4992.66	208.10	-149.49	146.78	0.08	209.50	135.52
5100.00	2.96	152.68	5092.53	213.25	-154.16	149.15	0.10	214.50	135.95
5200.00	2.99	152.66	5192.39	218.35	-158.77	151.53	0.03	219.48	136.34
5300.00	2.79	152.27	5292.26	223.31	-163.24	153.86	0.20	224.32	136.69
5400.00	2.98	152.08	5392.14	228.27	-167.69	156.21	0.19	229.18	137.03
5500.00	2.86	152.36	5492.01	233.28	-172.20	158.58	0.12	234.10	137.36
5600.00	2.78	152.15	5591.89	238.13	-176.56	160.88	0.08	238.86	137.66
5700.00	2.71	151.43	5691.77	242.85	-180.78	163.14	0.08	243.50	137.94
5800.00	2.76	151.36	5791.66	247.56	-184.96	165.42	0.05	248.15	138.19
5900.00	2.70	150.09	5891.54	252.27	-189.12	167.75	0.09	252.80	138.43
6000.00	2.58	150.63	5991.44	256.83	-193.12	170.03	0.12	257.31	138.64
6100.00	2.48	147.85	6091.34	261.21	-196.92	172.29	0.16	261.64	138.82
6200.00	2.26	149.17	6191.26	265.32	-200.44	174.45	0.23	265.72	138.97
6300.00	2.42	150.28	6291.17	269.36	-203.97	176.50	0.17	269.73	139.13
6400.00	2.30	149.61	6391.09	273.44	-207.53	178.57	0.12	273.78	139.29
6500.00	2.40	149.20	6491.00	277.51	-211.06	180.65	0.10	277.82	139.44
6600.00	2.39	151.84	6590.92	281.64	-214.70	182.71	0.11	281.92	139.60
6700.00	2.21	147.32	6690.83	285.62	-218.16	184.73	0.26	285.87	139.74
6800.00	2.41	146.41	6790.75	289.63	-221.53	186.94	0.20	289.87	139.84
6900.00	2.27	143.47	6890.67	293.71	-224.88	189.28	0.18	293.93	139.91
7000.00	1.94	142.68	6990.60	297.38	-227.81	191.49	0.33	297.60	139.95
7100.00	1.17	145.88	7090.57	300.09	-230.00	193.08	0.77	300.31	139.99
7200.00	0.68	158.13	7190.55	301.68	-231.40	193.88	0.53	301.89	140.04
7300.00	0.72	178.20	7290.54	302.76	-232.58	194.12	0.25	302.94	140.15
7400.00	0.65	200.52	7390.54	303.57	-233.74	193.94	0.27	303.72	140.32
7500.00	0.51	217.01	7490.53	303.98	-234.63	193.47	0.22	304.11	140.49
7600.00	1.17	157.17	7590.52	305.08	-235.92	193.60	1.01	305.19	140.63
7700.00	1.66	152.98	7690.49	307.49	-238.15	194.66	0.50	307.58	140.74
7800.00	1.51	158.63	7790.45	310.18	-240.67	195.79	0.22	310.25	140.87
7900.00	1.55	159.35	7890.42	312.73	-243.16	196.75	0.04	312.79	141.02
8000.00	1.79	163.23	7990.38	315.48	-245.92	197.68	0.27	315.52	141.21
8100.00	2.05	162.94	8090.32	318.61	-249.13	198.65	0.26	318.64	141.43
8200.00	2.22	166.34	8190.25	322.05	-252.72	199.64	0.21	322.06	141.69
8300.00	2.35	166.18	8290.17	325.69	-256.59	200.58	0.13	325.69	141.98
8387.00	2.03	147.42	8377.11	328.85	-259.62	201.84	0.90	328.85	142.14

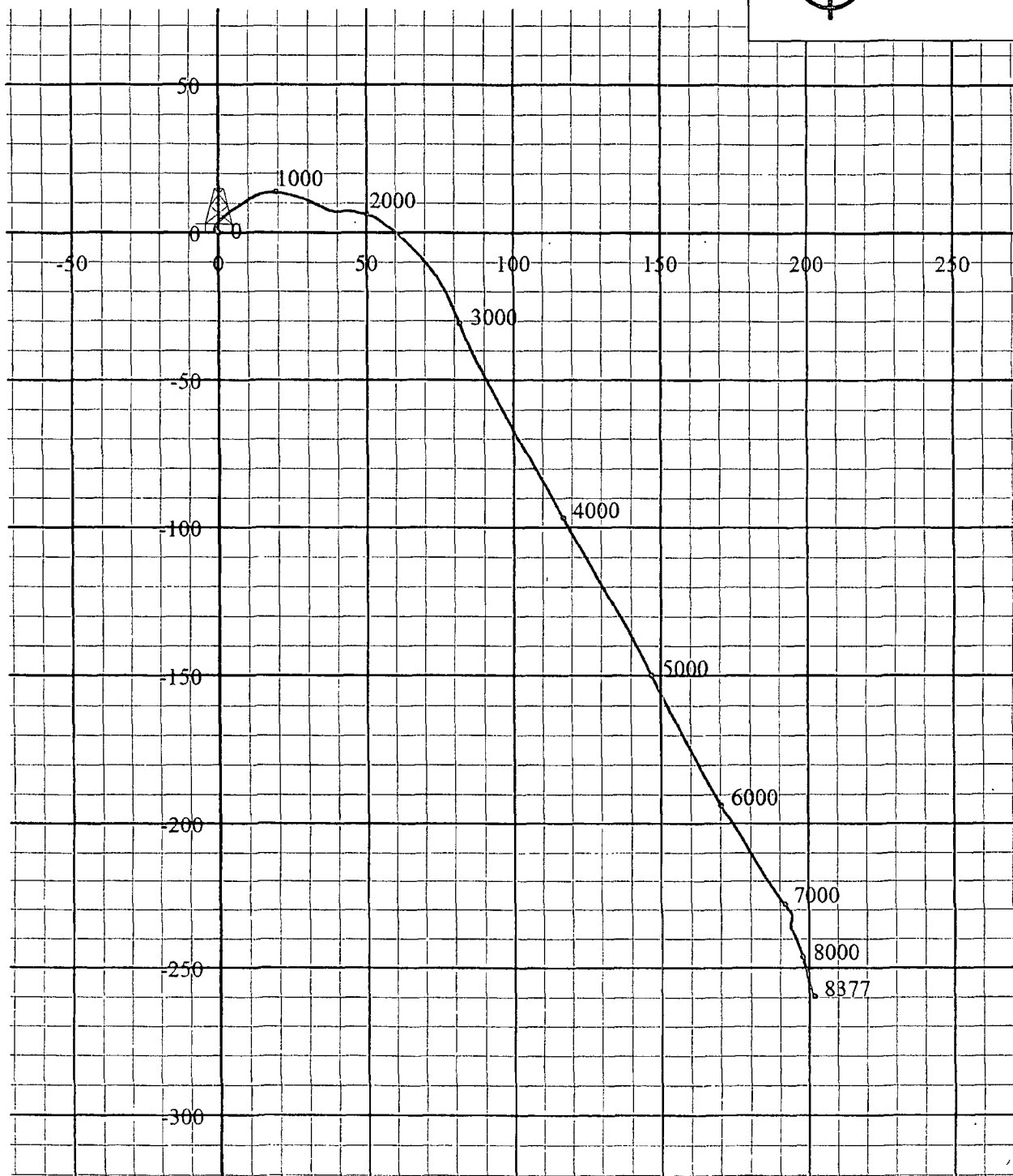


Scientific
Drilling

Field: Cedar Canyon
Site: Eddy County, NM
Well: Knoll Federal #2H
Wellpath: VH - Job #32K0508369
Survey: 05/22/08



South(-)/North(+) [50ft/in]



West(-)/East(+) [50ft/in]