

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N French Dr, Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S St. Francis Dr, Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources S Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-015-34552 5. Indicate Type of Lease STATE ☒ FEE ☐ State Oil & Gas Lease No. VO-6670
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WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well. OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐ DHC-3959 b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. ☐ WELL OVER BACK RESVR.	7. Lease Name or Unit Agreement Name Doc BHU State NOV 01 2007 OCD-ARTESIA
2. Name of Operator Yates Petroleum Corporation	8. Well No. 1
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 (505) 748-1471	9. Pool name or Wildcat Corral Canyon; Delaware

4. Well Location

Unit Letter O : 330 Feet From The South Line and 2310 Feet From The East Line

Section 5 Township 25S Range 30E NMPM Eddy County

10. Date Spudded 7/6/07	11 Date T.D. Reached 8/2/07	12. Date Compl. (Ready to Prod.) 10/3/07	13. Elevations (DF& RKB, RT, GR, etc.) 3225'GR 3242'KB	14 Elev. Casinghead
15. Total Depth 9300'	16. Plug Back T.D. 9255'	17. If Multiple Compl. How Many Zones <u>2</u>	18. Intervals Drilled By Rotary Tools 59'-9300'	Cable Tools
19. Producing Interval(s), of this completion - Top, Bottom, Name 7332'-7420' Delaware				20. Was Directional Survey Made Yes (Attached)
21. Type Electric and Other Logs Run CNL, Hi-Res Laterolog Array, CBL			22. Was Well Cored No	

23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
20"	Conductor	59'	26"	Redi-mix to surface	
13-3/8"	48#	690'	17-1/2"	635 sx (circ)	
8-5/8"	24#, 32#	4001'	11"	1200 sx (circ)	
5-1/2"	15.5#, 17#	9300'	7-7/8"	1000 sx(TOC 1850'CBL)	

24. LINER RECORD					25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	7282'	

26. Perforation record (interval, size, and number) SEE ATTACHED SHEET	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th><th>AMOUNT AND KIND MATERIAL USED</th></tr> <tr> <td colspan="2" style="text-align: center; padding: 10px;">SEE ATTACHED SHEET</td></tr> </table>	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	SEE ATTACHED SHEET	
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED				
SEE ATTACHED SHEET					

28. PRODUCTION							
Date First Production 10/4/07		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping			Well Status (Prod. or Shut-in) Producing		
Date of Test 10/27/07	Hours Tested 24 hrs	Choke Size NA	Prod'n For Test Period	Oil - Bbl 36	Gas - MCF 66	Water - Bbl. 103	Gas - Oil Ratio NA
Flow Tubing Press NA	Casing Pressure NA	Calculated 24-Hour Rate	Oil - Bbl. 36	Gas - MCF 66	Water - Bbl. 103	Oil Gravity - API - (Corr.) NA	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold	Test Witnessed By Scott Johnson
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30. List Attachments
Logs, Deviation Survey and Directional Survey

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief.

Signature	Printed Name <u>Tina Huerta</u>	Title <u>Regulatory Compliance Supervisor</u>	Date <u>October 23, 2007.</u>
E-mail Address <u>tinah@ypcnm.com</u>			

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico			Northwestern New Mexico	
T. Anhy			T. Ojo Alamo	T. Penn. "B"
T. Salt	696'		T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	3454'		T. Pictured Cliffs	T. Penn. "D"
T. Yates			T. Cliff House	T. Leadville
T. 7 Rivers			T. Menefee	T. Madison
T. Queen			T. Point Lookout	T. Elbert
T. Grayburg			T. Mancos	T. McCracken
T. San Andres			T. Gallup	T. Ignacio Otzte
T. Glorieta			Base Greenhorn	T. Granite
T. Paddock			T. Dakota	
T. Blinebry			T. Morrison	
T. Tubb			T. Todilto	
T. Drinkard			T. Entrada	
T. Abo			T. Wingate	
T. Wolfcamp			T. Chinle	
T. Wolfcamp B Zone			T. Permian	
T. Cisco			T. Penn "A"	

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 2, from.....to.....

No. 3, from.....to.....

No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

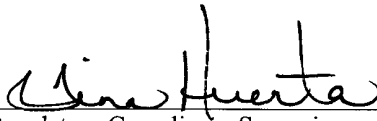
Form C-105 continued:

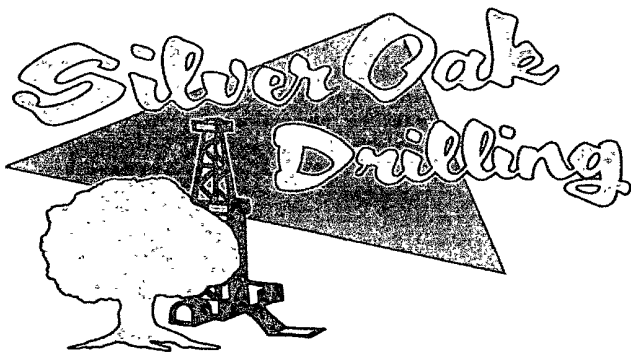
26. Perforation record (interval, size and number)

9073'-9075' (3)	8497'-8500' (4)	7332'-7335' (4)
9083'-9087' (5)	8524'-8542' (19)	7337' (1)
9119'-9124' (6)	8164'-8172' (9)	7340'-7342' (3)
9142'-9154' (13)	8210'-8216' (7)	7374'-7377' (4)
9164'-9166' (3)	7566'-7568' (3)	7418'-7420' (3)
8390'-8394' (5)	7570'-7576' (7)	7459'-7464' (6)
8441'-8446' (6)	7580'-7582' (3)	

27. Acid, Shot, Fracture, Cement, Squeeze, Etc.

<u>Depth Interval</u>	<u>Amount and Kind Material Used</u>
9073'-9166'	Acidize w/1250g 7-1/2% HCL acid w/40 ball sealers Frac w/a water frac, 635 bbls fluid, 50,000# 20/40 Expedite
8390'-8542'	Acidize w/1250g 7-1/2% HCL acid w/50 ball sealers Frac w/36,860g Silverstim 20# x-link and 80,000# 20/40 Expedite
8164'-8216'	Frac w/15,000g Silverstim and 20,000# 20/40 Expedite
7566'-7582'	Acidize w/750g 7-1/2% IC acid
7332'-7464'	Acidize w/1200g 7-1/2% HCL acid w/30 ball sealers Frac w/a water frac, 787 bbls fluid, 70,000# 20/40 Expedite


Regulatory Compliance Supervisor
October 23, 2007



PO Box 1370
Artesia, NM 88211-1370
(505) 748-1288

August 7, 2007

Yates Petroleum Corporation
105 S. 4th
Artesia, NM 88211-1395

RE: Doc BHU State #1
330' FSL & 2310' FEL
Sec. 5, T25S, R30E
Eddy County, New Mexico

Dear Sir,

The attached is the Deviation Survey for the above captioned well.

(Attached Edited Pason Survey)

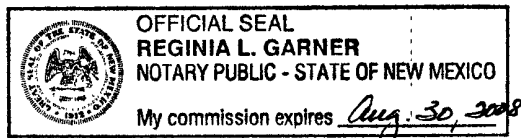
Very truly yours,

A handwritten signature in cursive script, appearing to read "Eddie C. LaRue".

Eddie C. LaRue
Operations Manager

State of New Mexico }
County of Eddy }

The foregoing was acknowledged before me this 7th day of August, 2007.

A handwritten signature in cursive script, appearing to read "Regina L. Garner".
Notary Public

Pason DataHub Deviation Survey 2007/08/06 14:32:27

Well Dossier 1184195923 - Doc BHU State # 1 EDITED

#

# Date	Depth	Dev	Dir	TVD	Horiz Disp
07/12/2007	183.00	0.50	0.00	223.00	40.00
07/12/2007	399.00	0.50	0.00	439.00	40.00
07/13/2007	650.00	0.50	0.00	690.00	0.00
07/15/2007	814.00	1.49	62.74	863.00	0.00
07/15/2007	844.00	1.41	57.64	893.00	0.00
07/15/2007	875.00	1.41	64.23	924.00	0.00
07/15/2007	966.00	1.14	87.52	0.00	0.00
07/15/2007	1060.00	1.32	94.20	0.00	0.00
07/15/2007	1153.00	0.70	84.44	0.00	0.00
07/16/2007	1247.00	0.97	88.58	0.00	0.00
07/16/2007	1340.00	1.14	98.95	0.00	0.00
07/16/2007	1434.00	1.85	98.68	0.00	0.00
07/16/2007	1496.00	1.41	86.73	1546.00	0.00
07/16/2007	1590.00	0.88	113.01	1639.00	0.00
07/16/2007	1652.00	1.06	107.91	1702.00	0.00
07/16/2007	1745.00	0.70	49.12	0.00	0.00
07/16/2007	1839.00	0.97	53.92	0.00	0.00
07/16/2007	1943.00	1.23	79.74	0.00	0.00
07/17/2007	1994.00	1.49	95.26	0.00	0.00
07/18/2007	2088.00	1.90	106.70	2137.00	0.00
07/18/2007	2150.00	1.58	121.57	2200.00	0.00
07/18/2007	2213.00	1.41	126.11	2262.00	0.00
07/18/2007	2278.00	1.41	128.57	2327.00	0.00
07/18/2007	2337.00	1.41	150.36	2387.00	0.00
07/18/2007	2400.00	0.97	158.01	0.00	0.00
07/18/2007	2524.00	1.41	112.80	0.00	0.00
07/18/2007	2694.00	0.79	316.12	0.00	0.00
07/19/2007	2773.00	1.14	324.30	2822.00	0.00
07/19/2007	2836.00	1.41	335.49	2884.00	0.00
07/19/2007	2898.00	1.49	347.41	2948.00	0.00
07/19/2007	2960.00	0.79	7.63	3009.00	0.00
07/19/2007	3022.00	1.14	37.95	3071.00	0.00
07/19/2007	3085.00	1.49	52.45	3134.00	0.00
07/19/2007	3147.00	1.41	65.90	3196.00	0.00
07/19/2007	3209.00	0.97	108.26	3258.00	0.00
07/19/2007	3271.00	1.32	131.03	0.00	0.00
07/19/2007	3396.00	1.06	173.30	0.00	0.00
07/20/2007	3520.00	0.35	97.72	3569.00	0.00
07/20/2007	3614.00	0.26	105.00	0.00	0.00
07/20/2007	3707.00	0.44	110.02	0.00	0.00
07/20/2007	3801.00	0.35	121.27	0.00	0.00
07/20/2007	2952.00	0.70	115.73	0.00	0.00
07/22/2007	4201.00	0.50	0.00	4278.00	71.00
07/22/2007	4456.00	0.50	0.00	4527.00	71.00
07/23/2007	4828.00	0.75	0.00	4900.00	0.00
07/24/2007	5669.00	0.75	0.00	5741.00	0.00
07/24/2007	6138.00	0.75	0.00	6210.00	0.00
07/25/2007	6677.00	0.50	0.00	6708.00	0.00
07/25/2007	7134.00	2.00	0.00	7206.00	0.00
07/26/2007	7258.00	2.00	0.00	7330.00	0.00
07/26/2007	7415.00	1.25	0.00	7486.00	71.00
07/27/2007	7538.00	2.00	0.00	7611.00	0.00
07/27/2007	7665.00	2.00	0.00	7737.00	0.00
07/27/2007	7791.00	1.25	0.00	7862.00	0.00
07/29/2007	8041.00	4.00	0.00	8112.00	0.00
07/29/2007	8134.00	3.00	0.00	8205.00	0.00
07/29/2007	8226.00	3.00	0.00	8298.00	0.00
07/30/2007	8321.00	2.50	0.00	0.00	0.00
07/30/2007	8414.00	2.75	0.00	0.00	0.00
07/30/2007	8474.00	1.75	0.00	8547.00	0.00
07/30/2007	8598.00	2.25	0.00	8671.00	0.00
07/31/2007	8724.00	1.75	0.00	8796.00	0.00
07/31/2007	8785.00	1.50	0.00	8858.00	0.00
08/01/2007	8972.00	2.00	0.00	9045.00	0.00
08/02/2007	9300.00	2.00	0.00	0.00	0.00

EOF

DIRECTIONAL SURVEY REPORT

YATES PETROLEUM

DOC BHU ST #1H

EDDY COUNTY, NEW MEXICO

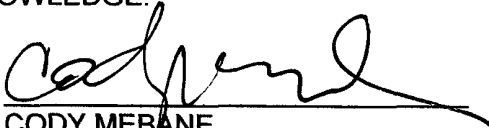
PREPARED BY: CODY MEBANE

DIRECTIONAL SURVEY COMPANY REPORT:

1. NAME OF SURVEYING COMPANY: PATHFINDER ENERGY SERVICES
2. NAME OF PERSON(S) PERFORMING SURVEY:
A) JAY FULTON
3. POSITION OF SAID PERSON(S): (A-F) SURVEYORS (FIELD ENGINEERS)
4. DATE(S) ON WHICH SURVEY WAS PERFORMED: 7/15/07 TO 7/20/07
5. STATE IN WHICH SURVEY WAS PERFORMED: NEW MEXICO
6. LOCATION OF WELL: EDDY COUNTY, NM
7. TYPE OF SURVEY(S) PERFORMED: MWD
8. COMPLETE IDENTIFICATION OF WELL:

YATES PETROLEUM
DOC BHU ST #1H
EDDY COUNTY, NM
RIG: SILVER OAK #6
9. SURVEY CERTIFIED FROM: 814 TO 3952 FEET MEASURED DEPTH.

THIS IS TO VERIFY THAT ATTACHED DOCUMENTS SHOWING THE WELL TO BE DISPLACED AT 49.86 FEET ON A BEARING OF 86.84 DEGREES FROM THE CENTER OF THE ROTARY TABLE AT A PROJECTED BIT DEPTH OF 4001 FEET, ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.


CODY MEBANE
M/LWD SERVICE COORDINATOR

PathFinder Energy Services, Inc.

BHL Report

Page 01/01
Tie-in Date: 07/15/2007
Date Completed: 07/20/2007

YATES PETROLEUM
DOC BHU ST #1H
EDDY COUNTY, NM
Rig: SILVER OAK # 6
PathFinder Office Supervisor: CODY MEBANE
PathFinder Field Engineers: JAY FULTON

Survey Horiz. Reference: WELLHEAD
Ref Coordinates: LAT: 32.4.50.8584 N LON: 103.55.37.2216 W
GRID Reference: NAD27 new mexico east Transverse Mercator
Ref GRID Coord: X: 625849.2000 Y: 393353.8934
North Aligned To: GRID NORTH
Total Magnetic Correction: 7.98° EAST TO GRID
Vertical Section Plane: 0.00
Survey Vert. Reference: 20.00' Drill Floor To Ground
Altitude: 3223.00' Ground To MSL

Measured Depth	4001.00	(feet)
Inclination	0.70	(deg)
Azimuth	115.73	(deg)
True Vertical Depth	4000.28	(feet)
Vertical Section	2.75	(feet)
Survey X cord	625898.99	(feet)
Survey Y cord	393356.64	(feet)
Survey Lat	32.08080104 N	(deg)
Survey Lon	103.92684523 W	(deg)
Rectangular Corr. N/S	2.75 N	(feet)
Rectangular Corr. E/W	49.79 E	(feet)
Closure Distance	49.86	(feet)
Direction of Closure	86.84	(deg)
Dogleg Severity	0.00	(deg/100ft)

PathFinder Energy Services, Inc.

Survey Report

YATES PETROLEUM
DOC BHU ST #1H
EDDY COUNTY, NM
Rig:SILVER OAK # 6
PathFinder Office Supervisor: CODY MEBANE
PathFinder Field Engineers: JAY FULTON

Page 01/02
Tie-in Date: 07/15/2007
Date Completed: 07/20/2007

Survey Horiz. Reference:WELLHEAD
Ref Coordinates: LAT:32.4.50.8584 N LON:103.55.37.2216 W
Reference:NAD27 new mexico east Transverse Mercator
Ref GRID Coord: X: 625849.2000 Y: 393353.8934
North Aligned To:GRID NORTH
Total Magnetic Correction: 7.98° EAST TO GRID
Vertical Section Plane: 0.00
Survey Vert. Reference: 20.00' Drill Floor To Ground
Altitude:3223.00' Ground To MSL

Survey Calculations by RX5 V5.11D using Minimum Curvature

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Retangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
TIE-IN AT SURFACE LOCATION.										
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00@	0.00	0.00
THE FOLLOWING ARE PATHFINDER MWD SURVEYS.										
814.00	1.49	62.74	813.91	814.00	4.85	4.85 N	9.41 E	10.58@	62.74	0.18
844.00	1.41	57.64	843.90	30.00	5.22	5.22 N	10.07 E	11.34@	62.57	0.51
875.00	1.41	64.23	874.89	31.00	5.59	5.59 N	10.73 E	12.10@	62.47	0.52
966.00	1.14	87.52	965.87	91.00	6.12	6.12 N	12.64 E	14.05@	64.17	0.64
1060.00	1.32	94.20	1059.85	94.00	6.08	6.08 N	14.66 E	15.87@	67.47	0.24
1153.00	0.70	84.44	1152.83	93.00	6.06	6.06 N	16.29 E	17.38@	69.61	0.69
1247.00	0.97	88.58	1246.82	94.00	6.13	6.13 N	17.66 E	18.69@	70.85	0.29
1340.00	1.14	98.95	1339.81	93.00	6.01	6.01 N	19.36 E	20.27@	72.76	0.27
1434.00	1.85	98.68	1433.77	94.00	5.63	5.63 N	21.78 E	22.50@	75.50	0.76
1496.00	1.41	86.73	1495.75	62.00	5.53	5.53 N	23.54 E	24.18@	76.79	0.89
1590.00	0.88	113.01	1589.73	94.00	5.31	5.31 N	25.35 E	25.90@	78.17	0.78
1652.00	1.06	107.91	1651.72	62.00	4.95	4.95 N	26.34 E	26.80@	79.36	0.32
1745.00	0.70	49.12	1744.71	93.00	5.06	5.06 N	27.59 E	28.05@	79.62	0.99
1839.00	0.97	53.19	1838.70	94.00	5.91	5.91 N	28.66 E	29.26@	78.35	0.29
1932.00	1.23	79.74	1931.68	93.00	6.56	6.56 N	30.27 E	30.97@	77.78	0.61
1994.00	1.49	95.26	1993.67	62.00	6.60	6.60 N	31.73 E	32.41@	78.25	0.72
2088.00	1.85	106.68	2087.63	94.00	6.05	6.05 N	34.40 E	34.93@	80.02	0.52
2150.00	1.58	121.27	2149.60	62.00	5.32	5.32 N	36.09 E	36.48@	81.61	0.82
2213.00	1.41	126.11	2212.58	63.00	4.42	4.42 N	37.46 E	37.71@	83.28	0.34
2275.00	1.41	128.57	2274.56	62.00	3.49	3.49 N	38.67 E	38.83@	84.84	0.10
2337.00	1.41	150.36	2336.54	62.00	2.35	2.35 N	39.64 E	39.71@	86.60	0.86

PathFinder Energy Services, Inc.

Survey Report

YATES PETROLEUM
DOC BHU ST #1H
EDDY COUNTY, NM
RIG:SILVER OAK # 6

Page 02/02

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Retangular Offsets		Closure Dist Dir		DLS (dg/100ft)
						(ft)	(ft)	(ft)	(deg)	
2400.00	0.97	158.01	2399.53	63.00	1.18	1.18 N	40.22 E	40.24@	88.31	0.74
2462.00	1.06	131.64	2461.52	62.00	0.32	0.32 N	40.85 E	40.85@	89.56	0.76
2524.00	1.41	112.83	2523.50	62.00	-0.36	0.36 S	41.98 E	41.98@	90.49	0.86
2556.00	1.14	116.08	2555.50	32.00	-0.65	0.65 S	42.63 E	42.64@	90.88	0.87
2587.00	0.35	113.10	2586.49	31.00	-0.83	0.83 S	42.99 E	43.00@	91.10	2.55
2649.00	0.79	316.12	2648.49	62.00	-0.59	0.59 S	42.87 E	42.88@	90.79	1.81
2711.00	1.76	309.71	2710.47	62.00	0.32	0.32 N	41.84 E	41.84@	89.56	1.58
2773.00	1.14	324.30	2772.45	62.00	1.43	1.43 N	40.75 E	40.78@	87.99	1.16
2836.00	1.41	335.29	2835.44	63.00	2.65	2.65 N	40.06 E	40.15@	86.22	0.58
2898.00	1.49	347.41	2897.42	62.00	4.13	4.13 N	39.57 E	39.78@	84.05	0.51
2960.00	0.79	7.63	2959.41	62.00	5.34	5.34 N	39.45 E	39.81@	82.30	1.29
3022.00	1.14	37.95	3021.40	62.00	6.25	6.25 N	39.88 E	40.37@	81.10	0.98
3084.00	1.49	52.45	3083.38	62.00	7.22	7.22 N	40.90 E	41.54@	79.98	0.77
3147.00	1.41	65.90	3146.36	63.00	8.04	8.04 N	42.26 E	43.02@	79.23	0.55
3209.00	0.97	108.26	3208.35	62.00	8.19	8.19 N	43.45 E	44.22@	79.33	1.54
3271.00	1.32	131.03	3270.34	62.00	7.55	7.55 N	44.49 E	45.13@	80.37	0.92
3333.00	1.41	141.05	3332.32	62.00	6.49	6.49 N	45.51 E	45.97@	81.88	0.41
3396.00	1.06	173.30	3395.31	63.00	5.31	5.31 N	46.06 E	46.37@	83.43	1.21
3458.00	0.44	155.37	3457.30	62.00	4.52	4.52 N	46.23 E	46.45@	84.41	1.06
3520.00	0.35	97.72	3519.30	62.00	4.28	4.28 N	46.52 E	46.71@	84.74	0.63
3614.00	0.26	105.80	3613.30	94.00	4.19	4.19 N	47.01 E	47.19@	84.91	0.11
3707.00	0.44	110.02	3706.30	93.00	4.01	4.01 N	47.55 E	47.71@	85.18	0.20
3801.00	0.35	121.27	3800.29	94.00	3.73	3.73 N	48.13 E	48.27@	85.57	0.13
3894.00	0.53	127.42	3893.29	93.00	3.32	3.32 N	48.71 E	48.83@	86.10	0.20
3952.00	0.70	115.73	3951.29	58.00	3.01	3.01 N	49.25 E	49.34@	86.51	0.36
STRAIGHT LINE PROJECTION TO BIT @ 4001' MD.										
4001.00	0.70	115.73	4000.28	49.00	2.75	2.75 N	49.79 E	49.86@	86.84	0.00



ENERGY SERVICES

TIE-IN SURVEY INFORMATION SHEET

CLIENT INFORMATION

CLIENT:	Yates Petroleum		
LEASE / WELL No.:	DOC BHU ST #1H		
WELL LOCATION:	Eddy County		
COUNTY / STATE / COUNTRY:	Eddy County	New Mexico	USA
RIG:	SilverOak #6		
API WELL No:	30-015-34552		
JOB No:	101006605 WT-WT		
P.O. / AFE No.			
DIRECTIONAL COMPANY:	PathFinder Energy Services		

WELL SITE INFORMATION

MAGNETIC DECLINATION:			
On Wall Plat:	LWD Calculated:	7.98	Agreed Upon:
X = 625849.340000	Feet	Y = 393354.060000	Feet
SITE LATITUDE:	32.080794	SITE LONGITUDE:	103.927006
GRID SYSTEM:	TRUE ☐ UTM ☒ LAMBERT ☐	ZONE:	
PROPOSED DRIFT DIRECTION:	0		
KELLY BUSHING ELEVATION:	25 FEET		
ALTITUDE:	3223	Feet	WATER DEPTH:
			Feet

TIE-IN SURVEY

MEASURED DEPTH:	0		
DRIFT ANGLE:	0		
DRIFT DIRECTION:	0		
TRUE VERTICAL DEPTH:	0		
VERTICAL SECTION:	0		
RECTANGULAR COORDINATE (N / S) :	0		
RECTANGULAR COORDINATE (E / W) :	0		
CLOSURE DISTANCE / DIRECTION:	0	0	
SURVEY CALCULATION METHOD:	AA ☐	MC ☐	RC ☐ BT ☐
SOURCE OF TIE-IN DATA (COMPANY):	NA		
COPY OF TIE-IN SURVEY REPORT	☐ YES		☒ NO

WELL PLAN

KICKOFF DEPTH:	0	TOTAL DEPTH:	0
KICKOFF ANGLE:	0	MAX ANGLE:	0

PES Engineers:

James D Fulton

**Signature of both field engineers required if applicable

Directional Driller:

[Signature]DATE: 7-14-07

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

YATES PETROLEUM
DOC BHU STATE #1
EDDY COUNTY, NEW MEXICO
Rig:SILVER OAK #6

Thu Jul 12 16:57:00 2007

Coordinates

Latitude: 32.080794 N (32 deg. 4 min. 50.8600 sec.)
Longitude: 103.927006 W (-103 deg. 55 min. 37.2200 sec.)
Elevation: 3223.00 feet.
Calculation Date: Jul/12/2007

Magnetic Calculations

Model: IGRF2005
Dip Angle: 60.0944 degrees
Total Magnetic Field: 0.48904 gauss
Magnetic Declination: 8.191647 degrees
Horizontal Intensity: 0.243821 gauss
To Convert a Magnetic Dir. to a TRUE North Dir. Add 8.191647 Degr

Transverse Mercator Grid Calculations NAD27

Grid System: Transverse Mercator: new mexico east
Ellipsoid: Clarke 1866
X: 625849.3395 feet
Y: 393354.0556 feet
True to Grid: (convergence) -0.215809 degrees
Magnetic to Grid: 7.975838 degrees
To Convert a Magnetic Dir. to a GRID dir. Add 7.975838 Degr.

PATHFINDER

ENERGY SERVICES

MAGNETIC DECLINATION / TOOLFACE OFFSET WORKSHEET

Client:	Yates Petroleum	LWD Run No:	1
Well:	DOC BHU ST #1H	DTA No:	
Location:	Eddy Co. NM	JTDAS No:	TT063
Rig:	SilverOak #6	TrkrElec No:	
Job No:	101006605 WT-WT		

Magnetic Declination:

GRID SYSTEM USED: TRUE ☐ UTM ☐ LAMBERT ☒ ZONE: _____

X = 625849.34 Y = 393354.06

SITE LATITUDE: 32.080794 SITE LONGITUDE: 103.927006

Magnetic Declination: _____

On Wall Plat: _____

LWD Calculated: 7.98

Directional Driller Approval: _____

LWD Engineers Approval: _____

Supervisor Approval: _____

Agreed Upon: 7.14.07

ToolFace Offset Calculation:

- 1: Ensure all connections between M/LWD are torqued correctly.
- 2: Estimate toolface offset.
- 3: Measure the distance from the M/LWD scribe line to the motor scribe line in a clockwise direction looking down hole.
- 4: Measure the circumference of the tool.
- 5: Calculate Tool Face Offset using.

$$\text{TOOL FACE OFFSET} = \frac{\text{Distance from M/LWD to Motor}}{\text{Circumference}} \times 360^\circ$$

ToolFace Offset Using Protractor:

- 1: Hook protractor onto the M/LWD tool.
- 2: Read Tool Face Offset from top of protractor where the motor scribe line intersects protractor.
- 3: If motor scribe line does not intersect protractor flip protractor over and repeat steps 1 and 2.

Distance from M/LWD to Motor: _____

Circumference: _____

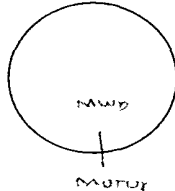
OTF Estimate: 0 OTF Calculated: _____ OTF Protractor: _____

Offset Tool Face Used = 0

M/LWD Engineer #1: _____

M/LWD Engineer #2: _____

Directional Driller: _____



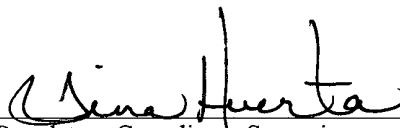
Form C-105 continued:

26. Perforation record (interval, size and number)

9073'-9075' (3)	8497'-8500' (4)	7332'-7335' (4)
9083'-9087' (5)	8524'-8542' (19)	7337' (1)
9119'-9124' (6)	8164'-8172' (9)	7340'-7342' (3)
9142'-9154' (13)	8210'-8216' (7)	7374'-7377' (4)
9164'-9166' (3)	7566'-7568' (3)	7418'-7420' (3)
8390'-8394' (5)	7570'-7576' (7)	7459'-7464' (6)
8441'-8446' (6)	7580'-7582' (3)	

27. Acid, Shot, Fracture, Cement, Squeeze, Etc.

<u>Depth Interval</u>	<u>Amount and Kind Material Used</u>
9073'-9166'	Acidize w/1250g 7-1/2% HCL acid w/40 ball sealers Frac w/a water frac, 635 bbls fluid, 50,000# 20/40 Expedite
8390'-8542'	Acidize w/1250g 7-1/2% HCL acid w/50 ball sealers Frac w/36,860g Silverstim 20# x-link and 80,000# 20/40 Expedite
8164'-8216'	Frac w/15,000g Silverstim and 20,000# 20/40 Expedite
7566'-7582'	Acidize w/750g 7-1/2% IC acid
7332'-7464'	Acidize w/1200g 7-1/2% HCL acid w/30 ball sealers Frac w/a water frac, 787 bbls fluid, 70,000# 20/40 Expedite



Regulatory Compliance Supervisor
October 23, 2007