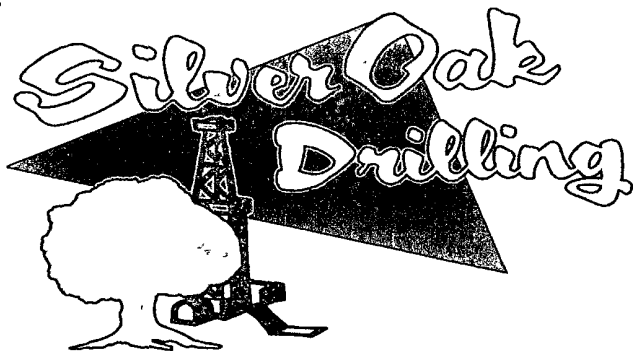




PO Box 1370
Artesia, NM 88211-1370
(505) 748-1288



15 - 39673

June 22, 2012

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

RE: Steelers BRS State #1H
660' FSL & 200' FEL
Sec. 24, T20S, R27E
Eddy County, New Mexico

Dear Sir,

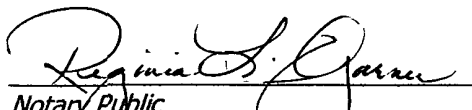
The attached is the Deviation Survey for the above captioned well.

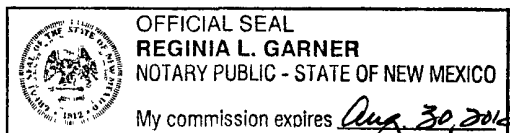
Very truly yours,


Eddie LaRue
Operations Manager

State of New Mexico }
County of Eddy }

The foregoing was acknowledged before me this 22nd day of June, 2012.


Regina L. Garner
Notary Public





Job Number: SVCO-120769
 Company: Yates Petroleum Corporation
 Lease/Well: STEELERS BRS STATE 1H
 Location: Eddy County, NM
 Rig Name: Silver Oak #10
 RKB: 20'
 G.L. or M.S.L.: GL

State/Country: New Mexico/USA
 Declination: 7.75°
 Grid: East To Grid North
 File name: F:\SURVEY\2012SU-1\YATES\CONROE\STEELE-1\1H.SVY
 Date/Time: 04-Jun-12 / 08:57
 Curve Name: Surface - 4750' M.D. (Rate Gyro)

WINSERVE SURVEY CALCULATIONS
 Minimum Curvature Method
 Vertical Section Plane 271.43
 Vertical Section Referenced to Wellhead
 Rectangular Coordinates Referenced to Wellhead

We hereby certify that our survey data from
 Surface MD to 4,750' MD is, to the best of
 our knowledge a true and accurate account of
 the well bore
 Joshua Smith 6/4/12
 MS Energy Services Date

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
00	00	.00	.00	.00	.00	.00	.00	00	.00
200.00	.92	267.85	199.99	-.06	-1.60	1.60	1.61	267.85	.46
400.00	.93	265.75	399.97	-.24	-4.83	4.82	4.83	267.15	.02
600.00	.83	274.53	599.94	-.25	-7.89	7.88	7.89	268.21	.08
800.00	.64	265.57	799.93	-.22	-10.45	10.44	10.45	268.80	.11
1000.00	69	211.55	999.91	-1.33	-12.19	12.15	12.26	263.77	.30
1200.00	98	200.68	1199.89	-3.96	-13.43	13.32	14.00	253.58	.16
1400.00	140	188.05	1399.85	-7.98	-14.37	14.17	16.44	240.97	.25
1600.00	126	259.27	1599.81	-10.81	-16.87	16.60	20.04	237.37	.78
1800.00	174	237.00	1799.74	-12.87	-21.58	21.25	25.13	239.19	.37

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
2000 00	1.84	234.10	1999.64	-16 41	-26.73	26.31	31.36	238 46	.07
2200 00	1.70	234.08	2199.55	-20.03	-31.73	31.22	37 52	237.74	.07
2400 00	1 48	234 48	2399 47	-23 27	-36.24	35.65	43.07	237 29	.11
2600 00	1 29	235 69	2599 41	-26.04	-40.20	39.54	47 90	237.07	.10
2800.00	.99	229.06	2799.37	-28.44	-43 36	42 64	51.86	236 74	.16
3000 00	.84	220 16	2999.35	-30 69	-45 61	44.83	54 98	236.06	.10
3200 00	.94	222 60	3199 32	-33 02	-47.67	46.83	57 99	235.29	.05
3400.00	.83	212 15	3399 30	-35.45	-49.55	48.65	60 93	234.42	.10
3600 00	.73	156 06	3599.28	-37 85	-49.81	48.85	62 55	232.77	.37
3800 00	.74	150 61	3799.27	-40.14	-48.65	47 64	63.07	230.48	.04
4000 00	.64	153.97	3999.25	-42.26	-47 53	46 46	63 60	228 36	.05
4200 00	.77	210.57	4199.24	-44.42	-47.72	46 60	65.20	227 05	.34
4400 00	.84	230.49	4399 22	-46.51	-49 54	48.36	67.95	226 80	.14
4600 00	.78	218.66	4599.20	-48 51	-51 52	50.29	70.76	226.72	.09
Last Survey Depth Recorded									
4750 00	.63	212 46	4749 19	-50.00	-52.60	51 34	72.58	226.45	.11



A Schlumberger Company



DIRECTIONAL SURVEY REPORT

YATES PETROLEUM

STEELERS BRS STATE #1H

EDDY COUNTY, NEW MEXICO

PREPARED BY: JUAN ALCOCER

Pathfinder

6213 WCR 112
Midland, Texas 79706-3725, USA
Tel (432) 687-1647
Fax (432) 687-1544

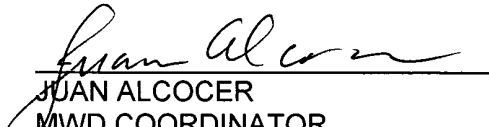


DIRECTIONAL SURVEY COMPANY REPORT:

1. NAME OF SURVEYING COMPANY: PATHFINDER ENERGY SERVICES
2. NAME OF PERSON(S) PERFORMING SURVEY:
A) ALEX CASTILLO
3. POSITION OF SAID PERSON(S): (A-F) SURVEYORS (FIELD ENGINEERS)
4. DATE(S) ON WHICH SURVEY WAS PERFORMED: 6-05-12 TO 6-16-12
5. STATE IN WHICH SURVEY WAS PERFORMED: NEW MEXICO
6. LOCATION OF WELL EDDY COUNTY, NM
7. TYPE OF SURVEY(S) PERFORMED: GAMMA-RAY
8. COMPLETE IDENTIFICATION OF WELL:

YATES PETROLEUM
STEELERS BRS STATE #1H
EDDY COUNTY, NM
RIG SILVER OAK 10
9. SURVEY CERTIFIED FROM: 4,817 TO 10,710 FEET MEASURED DEPTH.

THIS IS TO VERIFY THAT ATTACHED DOCUMENTS SHOWING THE WELL TO BE DISPLACED AT 4,691.57 FEET ON A BEARING OF 271.53 DEGREES FROM THE CENTER OF THE ROTARY TABLE AT A PROJECTED BIT DEPTH OF 10,785 FEET, ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.


JUAN ALCOCER
MWD COORDINATOR

PathFinder Energy Services, Inc.

BHL Report

Page 01/01
Tie-in Date: 06/03/2012
Date Completed: 06/16/2012

YATES PETROLEUM CORP.
STEELERS BRS STATE #1H / 30-015-39673
EDDY COUNTY, NM
Rig:SILVER OAK 10
PathFinder Office Supervisor: JUAN ALCOCER
PathFinder Field Engineers:A.CASTILLO
R.GIBBS

Survey Horiz. Reference:WELLHEAD
Ref Coordinates: LAT:32.33.12.5694 N LON:104.13.36.5304 W
GRID Reference:NAD83 new mexico east Transverse Mercator
Ref GRID Coord: X: 574157.3300 Y: 565107.3020
North Aligned To:GRID NORTH
Total Magnetic Correction: 7.73° EAST TO GRID
Vertical Section Plane: 271.43
Survey Vert. Reference: 18.00' Kelly Bushing To Ground
Altitude:3341.00' Ground To MSL

Measured Depth	10785.00	(feet)
Inclination	89.34	(deg)
Azimuth	270.01	(deg)
True Vertical Depth	6362.21	(feet)
Vertical Section	4691.56	(feet)
Survey X cord	569467.43	(feet)
Survey Y cord	565232.61	(feet)
Survey Lat	32.55384791 N	(deg)
Survey Lon	104.24203506 W	(deg)
Rectangular Corr. N/S	125.31 N	(feet)
Rectangular Corr. E/W	4689.90 W	(feet)
Closure Distance	4691.57	(feet)
Direction of Closure	271.53	(deg)
Dogleg Severity	0.00	(deg/100ft)

PathFinder Energy Services, Inc. Survey Report

YATES PETROLEUM CORP.
STEELERS BRS STATE #1H / 30-015-39673
EDDY COUNTY, NM
Rig SILVER OAK 10
PathFinder Office Supervisor: JUAN ALCOCER
PathFinder Field Engineers: A.CASTILLO
R.GIBBS

Survey Horiz. Reference:WELLHEAD
Ref Coordinates: LAT:32.33.12.5694 N LON:104.13.36.5304 W
GRID Reference:NAD83 new mexico east Transverse Mercator
Ref GRID Coord: X: 574157 3300 Y: 565107.3020
North Aligned To:GRID NORTH
Total Magnetic Correction: 7.73°EAST TO GRID
Vertical Section Plane: 271.43
Survey Vert. Reference: 18.00' Kelly Bushing To Ground
Altitude.3341.00' Ground To MSL

Survey Calculations by RX5 V6.04A using Minimum Curvature

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)	Closure Dist Dir (ft) (deg)	DLS (dg/100ft)
THE FOLLOWING ARE MS ENERGY SERVICES GYRO SURVEYS.								
0.00	0.00	0.00	0.00	0.00	-0.00	0.00 N 0.00 E	0.00@ 14.11	0.00
THE FOLLOWING ARE MS ENERGY SERVICES GYRO SURVEYS.								
200.00	0.92	267 85	199 99	200.00	1.60	0.06 S 1.60 W	1.60@ 267.98	0.48
400.00	0.93	265.75	399.97	200.00	4.82	0.24 S 4.83 W	4.83@ 267.19	0 02
600.00	0.83	274.53	599.94	200.00	7.88	0.24 S 7.89 W	7.89@ 268.24	0 08
800.00	0.64	265.57	799.93	200.00	10.44	0.21 S 10.45 W	10.45@ 268.82	0 11
1000 00	0.69	211 55	999.92	200 00	12.15	1 33 S 12.19 W	12 26@ 263 79	0 30
1200.00	0.98	200.68	1199.89	200.00	13 32	3 95 S 13.43 W	14.00@ 253.59	0 16
1400.00	1.40	188.05	1399 85	200.00	14.17	7.97 S 14.37 W	16.43@ 240.98	0.25
1600.00	1.26	259 27	1599.81	200 00	16.60	10 80 S 16.87 W	20.04@ 237 37	0.78
1800.00	1.74	237.00	1799.74	200 00	21.25	12.86 S 21.58 W	25.12@ 239 20	0.37
2000 00	1.84	234 10	1999.64	200.00	26 31	16.40 S 26.73 W	31.36@ 238.47	0.07
2200.00	1.70	234.08	2199.55	200.00	31.22	20.02 S 31.73 W	37.52@ 237.75	0.07
2400 00	1.48	234.48	2399.47	200.00	35.64	23.27 S 36.24 W	43.06@ 237.30	0.11
2600.00	1.29	235.69	2599.41	200 00	39.54	26 04 S 40.20 W	47.89@ 237 07	0.10
2800.00	0.99	229.06	2799.37	200.00	42.64	28.44 S 43.36 W	51 86@ 236 74	0.16
3000.00	0.84	220.16	2999.35	200.00	44.83	30.69 S 45.61 W	54.98@ 236 07	0 10
3200.00	0.94	222.60	3199.32	200.00	46.83	33.02 S 47.67 W	57.99@ 235.29	0.05
3400.00	0.83	212.15	3399 30	200.00	48.65	35.45 S 49.55 W	60.93@ 234.42	0.10
3600.00	0.73	156.06	3599.28	200.00	48.85	37.84 S 49 80 W	62.55@ 232.77	0 37
3800.00	0.74	150.61	3799.27	200.00	47 64	40.13 S 48.65 W	63.07@ 230.48	0 03
4000.00	0.64	153.97	3999.25	200.00	46.46	42.26 S 47.53 W	63.60@ 228.36	0.05
4200.00	0.77	210.57	4199.24	200.00	46 60	44.42 S 47.72 W	65 20@ 227 05	0.34
4400.00	0.84	230.49	4399.22	200.00	48.36	46.51 S 49.54 W	67.95@ 226.81	0.14
4600 00	0 78	218.66	4599.20	200.00	50.29	48.51 S 51.52 W	70 76@ 226 73	0.09

PathFinder Energy Services, Inc.

Survey Report

YATES PETROLEUM CORP.
STEELERS BRS STATE #1H / 30-015-39673
EDDY COUNTY, NM
RIG SILVER OAK 10

Page 02/05

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dlr (ft) (deg)		DLS (dg/100ft)
** TIED INTO MS ENERGY SERVICES GYRO SURVEY @ 4750.00'MD.										
4750.00	0.63	212.46	4749.19	150.00	51.34	50.00 S	52.60 W	72.57@	226.45	0.11
THE FOLLOWING ARE PATHFINDER MWD SURVEYS.										
4817.00	0.18	179.16	4816.19	67.00	51.52	50.42 S	52.80 W	73.00@	226.32	0.73
4913.00	0.18	196.12	4912.19	96.00	51.55	50.71 S	52.84 W	73.23@	226.18	0.06
5008.00	0.18	152.59	5007.19	95.00	51.52	50.99 S	52.81 W	73.41@	226.01	0.14
5103.00	0.26	187.84	5102.19	95.00	51.47	51.33 S	52.77 W	73.62@	225.79	0.16
5199.00	0.18	215.79	5198.19	96.00	51.58	51.67 S	52.89 W	73.94@	225.67	0.14
5294.00	0.09	99.09	5293.19	95.00	51.59	51.80 S	52.90 W	74.04@	225.60	0.25
5388.00	0.09	34.80	5387.19	94.00	51.48	51.76 S	52.79 W	73.93@	225.56	0.10
5483.00	0.18	20.28	5482.19	95.00	51.39	51.55 S	52.69 W	73.72@	225.62	0.10
5578.00	0.53	27.50	5577.18	95.00	51.15	51.02 S	52.44 W	73.17@	225.78	0.37
5673.00	0.79	36.10	5672.18	95.00	50.58	50.11 S	51.85 W	72.10@	225.98	0.29
5769.00	0.70	28.14	5768.17	96.00	49.94	49.05 S	51.18 W	70.89@	226.22	0.14
5801.00	0.62	327.08	5800.17	32.00	49.95	48.74 S	51.18 W	70.67@	226.40	2.11
5832.00	2.02	283.23	5831.16	31.00	50.58	48.47 S	51.81 W	70.95@	226.91	5.26
5864.00	4.22	266.43	5863.11	32.00	52.31	48.41 S	53.53 W	72.18@	227.87	7.37
5896.00	7.47	265.68	5894.94	32.00	55.55	48.64 S	56.78 W	74.77@	229.41	10.16
5928.00	10.99	266.14	5926.52	32.00	60.66	49.01 S	61.90 W	78.95@	231.63	11.00
5959.00	14.33	271.20	5956.76	31.00	67.44	49.13 S	68.69 W	84.45@	234.43	11.34
5991.00	17.24	274.76	5987.55	32.00	76.13	48.65 S	77.37 W	91.40@	237.84	9.58
6023.00	20.75	280.27	6017.81	32.00	86.47	47.24 S	87.68 W	99.60@	241.68	12.31
6055.00	25.15	281.57	6047.27	32.00	98.78	44.87 S	99.93 W	109.54@	245.82	13.84
6087.00	29.46	281.24	6075.70	32.00	113.23	41.97 S	114.31 W	121.77@	249.84	13.48
6118.00	33.77	280.53	6102.09	31.00	129.26	38.91 S	130.27 W	135.95@	253.37	13.96
6150.00	36.67	279.37	6128.23	32.00	147.51	35.73 S	148.44 W	152.68@	256.47	9.30
6182.00	39.13	279.19	6153.48	32.00	166.98	32.56 S	167.84 W	170.97@	259.02	7.69
6214.00	41.33	280.00	6177.91	32.00	187.43	29.11 S	188.22 W	190.46@	261.21	7.07

PathFinder Energy Services, Inc.

Survey Report

YATES PETROLEUM CORP.
 STEELERS BRS STATE #1H / 30-015-39673
 EDDY COUNTY, NM
 RIG-SILVER OAK 10

Page 03/05

Measured Depth (ft)	Incl (deg)	Drift Dir (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
6245.00	44.49	281.07	6200.61	31.00	208.27	25.24 S	208.96 W	210.48@	263.11	10.46
6277.00	48.54	282.91	6222.63	32.00	231.09	20.41 S	231.67 W	232.56@	264.96	13.32
6314.00	52.41	284.26	6246.17	37.00	258.98	13.70 S	259.40 W	259.76@	266.98	10.83
6345.00	54.87	285.53	6264.55	31.00	283.25	7.28 S	283.52 W	283.61@	268.53	8.59
6377.00	57.77	286.43	6282.29	32.00	309.02	0.05 N	309.12 W	309.12@	270.01	9.36
6406.00	61.29	286.50	6297.00	29.00	333.16	7.14 N	333.08 W	333.16@	271.23	12.14
6437.00	65.25	286.80	6310.94	31.00	359.87	15.07 N	359.60 W	359.92@	272.40	12.80
6468.00	70.17	285.88	6322.69	31.00	387.58	23.13 N	387.12 W	387.81@	273.42	16.11
6499.00	75.45	284.81	6331.85	31.00	416.31	30.96 N	415.67 W	416.82@	274.26	17.35
6515.00	77.73	284.31	6335.56	16.00	431.47	34.88 N	430.73 W	432.14@	274.63	14.57
6557.00	83.80	282.66	6342.30	42.00	471.99	44.53 N	471.03 W	473.13@	275.40	14.96
6651.00	86.70	281.87	6350.08	94.00	563.99	64.43 N	562.56 W	566.23@	276.53	3.20
6744.00	89.78	281.08	6352.94	93.00	655.51	82.92 N	653.64 W	658.88@	277.23	3.42
6838.00	91.19	280.99	6352.14	94.00	748.19	100.91 N	745.90 W	752.69@	277.70	1.50
6931.00	91.45	278.97	6350.00	93.00	840.12	117.02 N	837.46 W	845.60@	277.95	2.19
7024.00	91.36	273.70	6347.72	93.00	932.72	127.28 N	929.83 W	938.51@	277.79	5.67
7117.00	90.31	270.89	6346.36	93.00	1025.69	131.00 N	1022.74 W	1031.09@	277.30	3.23
7211.00	90.31	271.15	6345.85	94.00	1119.69	132.67 N	1116.72 W	1124.58@	276.78	0.28
7304.00	88.37	267.98	6346.93	93.00	1212.61	131.97 N	1209.70 W	1216.88@	276.23	4.00
7398.00	88.55	267.90	6349.45	94.00	1306.41	128.59 N	1303.60 W	1309.93@	275.63	0.21
7491.00	89.60	268.25	6350.95	93.00	1399.23	125.47 N	1396.54 W	1402.16@	275.13	1.19
7583.00	89.87	268.07	6351.38	92.00	1491.08	122.51 N	1488.49 W	1493.52@	274.71	0.35
7677.00	89.96	268.16	6351.52	94.00	1584.92	119.42 N	1582.44 W	1586.94@	274.32	0.14
7770.00	90.13	268.25	6351.44	93.00	1677.78	116.51 N	1675.39 W	1679.44@	273.98	0.21
7863.00	90.31	267.81	6351.09	93.00	1770.61	113.31 N	1768.34 W	1771.96@	273.67	0.51
7956.00	90.57	268.16	6350.37	93.00	1863.44	110.04 N	1861.28 W	1864.53@	273.38	0.47
8051.00	89.87	268.25	6350.01	95.00	1958.29	107.07 N	1956.23 W	1959.16@	273.13	0.74
8143.00	89.34	269.74	6350.64	92.00	2050.20	105.45 N	2048.21 W	2050.92@	272.95	1.72

PathFinder Energy Services, Inc.

Survey Report

YATES PETROLEUM CORP.
STEELERS BRS STATE #1H / 30-015-39673
EDDY COUNTY, NM
RIG:SILVER OAK 10

Page 04/05

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
8236.00	89.69	269.83	6351.43	93.00	2143.16	105.10 N	2141.20 W	2143.78@	272.81	0.39
8330.00	89.78	269.57	6351.86	94.00	2237.12	104.61 N	2235.20 W	2237.65@	272.68	0.29
8423.00	89.87	269.57	6352.15	93.00	2330.07	103.91 N	2328.20 W	2330.52@	272.56	0.10
8517.00	89.52	270.01	6352.65	94.00	2424.03	103.57 N	2422.20 W	2424.41@	272.45	0.60
8610.00	89.87	270.53	6353.14	93.00	2517.01	104.01 N	2515.19 W	2517.34@	272.37	0.67
8703.00	89.60	270.27	6353.57	93.00	2609.99	104.66 N	2608.19 W	2610.29@	272.30	0.40
8797.00	89.60	270.01	6354.23	94.00	2703.96	104.89 N	2702.19 W	2704.22@	272.22	0.28
8890.00	89.87	269.74	6354.66	93.00	2796.93	104.68 N	2795.19 W	2797.15@	272.14	0.41
8984.00	89.69	269.48	6355.02	94.00	2890.88	104.04 N	2889.18 W	2891.06@	272.06	0.34
9077.00	89.69	271.06	6355.52	93.00	2983.86	104.48 N	2982.18 W	2984.01@	272.01	1.70
9170.00	90.22	271.15	6355.60	93.00	3076.85	106.28 N	3075.16 W	3077.00@	271.98	0.58
9263.00	90.40	271.24	6355.09	93.00	3169.85	108.21 N	3168.14 W	3169.99@	271.96	0.22
9356.00	90.48	271.15	6354.38	93.00	3262.85	110.15 N	3261.12 W	3262.98@	271.93	0.13
9450.00	90.40	271.32	6353.66	94.00	3356.84	112.18 N	3355.09 W	3356.97@	271.92	0.20
9543.00	89.43	271.15	6353.80	93.00	3449.84	114.18 N	3448.07 W	3449.96@	271.90	1.06
9637.00	89.34	270.89	6354.81	94.00	3543.84	115.86 N	3542.05 W	3543.94@	271.87	0.29
9730.00	89.43	271.06	6355.80	93.00	3636.83	117.44 N	3635.03 W	3636.92@	271.85	0.21
9823.00	90.04	270.97	6356.23	93.00	3729.82	119.09 N	3728.01 W	3729.91@	271.83	0.66
9917.00	89.87	271.32	6356.31	94.00	3823.82	120.97 N	3821.99 W	3823.91@	271.81	0.41
10011.00	89.52	271.50	6356.81	94.00	3917.82	123.28 N	3915.96 W	3917.90@	271.80	0.42
10104.00	90.04	271.41	6357.17	93.00	4010.82	125.64 N	4008.93 W	4010.90@	271.80	0.57
10198.00	89.52	269.83	6357.53	94.00	4104.81	126.66 N	4102.92 W	4104.88@	271.77	1.77
10291.00	89.08	269.65	6358.66	93.00	4197.76	126.24 N	4195.92 W	4197.81@	271.72	0.51
10385.00	89.60	269.92	6359.75	94.00	4291.71	125.88 N	4289.91 W	4291.75@	271.68	0.62
10479.00	89.60	269.65	6360.40	94.00	4385.67	125.53 N	4383.91 W	4385.70@	271.64	0.29
10573.00	90.13	269.83	6360.62	94.00	4479.63	125.10 N	4477.90 W	4479.65@	271.60	0.60
10666.00	89.52	270.27	6360.91	93.00	4572.60	125.18 N	4570.90 W	4572.62@	271.57	0.81
10710.00	89.34	270.01	6361.34	44.00	4616.59	125.29 N	4614.90 W	4616.60@	271.56	0.72

PathFinder Energy Services, Inc.
Survey Report

YATES PETROLEUM CORP.
STEELERS BRS STATE #1H / 30-015-39673
EDDY COUNTY, NM
RIG:SILVER OAK 10

Page 05/05

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
STRAIGHT LINE PROJECTION TO BIT @ 10785'MD										
10785.00	89 34	270.01	6362.21	75 00	4691.56	125.31 N	4689 90 W	4691.57@	271.53	0.00

** The survey data at tie-in point was furnished by a recognized survey company and entered as submitted. Survey stations above the tie-in point represent recalculated data by PathFinder Energy Services, Inc. and may reflect minor changes due to rounding differences between survey programs. Only survey stations taken by qualified PathFinder personnel are subject to certification.



A Schlumberger Company

TIE-IN SURVEY INFORMATION SHEET**CLIENT INFORMATION**

CLIENT:	YATES PETROLEUM CORP		
LEASE / WELL No.:	STEELERS BRS STATE	1H	
WELL LOCATION	EDDY COUNTY, NEW MEXICO		
COUNTY / STATE / COUNTRY	EDDY	NM	USA
RIG	SILVER OAK 10		
API WELL No.:	30-015-39673		
JOB No:	12MLD0227		
P.O. / AFE No	11-252-0		
DIRECTIONAL COMPANY:	PATHFINDER		

WELL SITE INFORMATION

TOTAL MAGNETIC CORRECTION (TMC):			
On Wall Plat.	7 74	LWD Calculated:	7 735078
Agreed Upon:		7 74	
X =	574157 330000	Feet	Y = 565107 302000
		Feet	
SITE LATITUDE	32.553491 N	SITE LONGITUDE:	104.226814 W
GRID SYSTEM	TRUE ☐ UTM ☐ LAMBERT ☒	ZONE:	New Mexico East
PROPOSED DRIFT DIRECTION	271 43		
KELLY BUSHING ELEVATION:	18		
ALTITUDE:	3341	Feet	RIG HEIGHT. 18
		Feet	

TIE-IN SURVEY

MEASURED DEPTH:	4750.00		
DRIFT ANGLE	0 63		
DRIFT DIRECTION:	212 46		
TRUE VERTICAL DEPTH:	4749 19		
VERTICAL SECTION:	51.34		
RECTANGULAR COORDINATE (N / S)	-50.00		
RECTANGULAR COORDINATE (E / W)	-52 60		
CLOSURE DISTANCE / DIRECTION:	72.58	226.45	
SURVEY CALCULATION METHOD:	AA ☐	MC ☒	RC ☐ BT ☐
SOURCE OF TIE-IN DATA (COMPANY):	MS ENERGY SERVICES		
COPY OF TIE-IN SURVEY REPORT	☒ YES		☐ NO

WELL PLAN

KICKOFF DEPTH	5567.00	TOTAL DEPTH:	10887.60
KICKOFF ANGLE:	0	MAX ANGLE:	89.88

PES Engineers. ALEX CASTILLO
ROBERT GIBB

**Signature of both field engineers required if applicable

Directional Driller: RICHARD HILL

DATE. 3-Jun-2012



Job Number: SVCO-120769
 Company: Yates Petroleum Corporation
 Lease/Well: STEELERS BRS STATE 1H
 Location: Eddy County, NM
 Rig Name: Silver Oak #10
 RKB: 20'
 G.L. or M.S.L.: GL

State/Country: New Mexico/USA
 Declination: 7.75°
 Grid: East To Grid North
 File name: F:\SURVEY\2012SU-1\YATES\CONROE\STEELE-1\1H.SVY
 Date/Time: 04-Jun-12 / 08:57
 Curve Name: Surface - 4750' M.D. (Rate Gyro)

WINSERVE SURVEY CALCULATIONS
 Minimum Curvature Method
 Vertical Section Plane 271.43
 Vertical Section Referenced to Wellhead
 Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
200.00	.92	267.85	199.99	-.06	-1.60	1.60	1.61	267.85	.46
400.00	.93	265.75	399.97	-.24	-4.83	4.82	4.83	267.15	.02
600.00	.83	274.53	599.94	-.25	-7.89	7.88	7.89	268.21	.08
800.00	.64	265.57	799.93	-.22	-10.45	10.44	10.45	268.80	.11
1000.00	.69	211.55	999.91	-1.33	-12.19	12.15	12.26	263.77	.30
1200.00	.98	200.68	1199.89	-3.96	-13.43	13.32	14.00	253.58	.16
1400.00	1.40	188.05	1399.85	-7.98	-14.37	14.17	16.44	240.97	.25
1600.00	1.26	259.27	1599.81	-10.81	-16.87	16.60	20.04	237.37	.78
1800.00	1.74	237.00	1799.74	-12.87	-21.58	21.25	25.13	239.19	.37

Measured Depth FT	Incl Angle Deg	Dnft Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	C L O S U R E		Dogleg Seventy Deg/100
							Distance FT	Direction Deg	
2000.00	1.84	234.10	1999.64	-16.41	-26 73	26 31	31.36	238.46	07
2200.00	1.70	234 08	2199.55	-20 03	-31 73	31.22	37.52	237.74	07
2400.00	1 48	234 48	2399.47	-23 27	-36.24	35.65	43.07	237 29	.11
2600.00	1.29	235 69	2599.41	-26 04	-40.20	39.54	47.90	237.07	10
2800 00	99	229 06	2799.37	-28.44	-43 36	42.64	51 86	236.74	.16
3000 00	84	220.16	2999.35	-30.69	-45 61	44.83	54.98	236.06	.10
3200.00	.94	222.60	3199 32	-33 02	-47.67	46.83	57.99	235.29	05
3400.00	.83	212.15	3399 30	-35 45	-49.55	48.65	60.93	234.42	10
3600.00	.73	156.06	3599 28	-37.85	-49.81	48.85	62 55	232 77	37
3800.00	.74	150.61	3799.27	-40 14	-48 65	47 64	63 07	230.48	04
4000 00	64	153.97	3999.25	-42.26	-47.53	46.46	63.60	228.36	05
4200.00	.77	210.57	4199 24	-44 42	-47.72	46.60	65.20	227.05	.34
4400.00	.84	230.49	4399.22	-46 51	-49.54	48.36	67.95	226 80	.14
4600.00	.78	218.66	4599.20	-48 51	-51.52	50.29	70.76	226 72	.09
Last Survey Depth Recorded									
4750 00	63	212 46	4749.19	-50.00	-52 60	51 34	72 58	226.45	11



A Schlumberger Company

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

YATES PETROLEUM CORP.
STEELERS BRS STATE #1H
EDDY COUNTY, NEW MEXICO
Rig:SILVER OAK 10

Thu May 31 14:50:58 2012

Coordinates

Latitude: 32.553491 N (32 deg. 33 min. 12.5694 sec.)
Longitude: 104.226814 W (-104 deg. 13 min. 36.5304 sec.)
Elevation: 3359.00 feet.
Calculation Date: May/31/2012

same as field calculation

Magnetic Calculations

Model: IGRF2010
Dip Angle: 60.3550 degrees
Total Magnetic Field: 0.48646 gauss
Magnetic Declination: 7.793732 degrees
Horizontal Intensity: 0.240616 gauss
To Convert a Magnetic Dir. to a TRUE North Dir. Add 7.793732 Degr

Transverse Mercator Grid Calculations NAD83

Grid System: Transverse Mercator: new mexico east
Ellipsoid: GRS80
X: 574157.3300 feet
Y: 565107.3020 feet
True to Grid: (convergence) -0.057317 degrees
Magnetic to Grid: 7.736416 degrees
To Convert a Magnetic Dir. to a GRID dir. Add 7.736416 Degr.

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

YATES PETROLEUM CORP.
STEELERS BRS STATE #1H
PENLON; (BONE SPRING, EAST)

Tue Jun 05 07:33:59 2012

Coordinates

Latitude:	32.553491 N (32 deg. 33 min. 12.5694 sec.)	← same as office calculation
Longitude:	104.226814 W (-104 deg. 13 min. 36.5304 sec.)	
Elevation:	3359.00 feet.	
Calculation Date:	Jun/05/2012	

Magnetic Calculations

Model:	IGRF2010
Dip Angle:	60.3547 degrees
Total Magnetic Field:	0.48645 gauss
Magnetic Declination:	7.792060 degrees
Horizontal Intensity:	0.240611 gauss

To Convert a Magnetic Dir. to a TRUE North Dir. Add 7.792060 Degs

Transverse Mercator Grid Calculations NAD83

Grid System:	Transverse Mercator: new mexico east
Ellipsoid:	GRS80
X:	574157.3300 feet
Y:	565107.3020 feet
True to Grid: (convergence)	-0.057317 degrees
Magnetic to Grid:	7.734744 degrees

To Convert a Magnetic Dir. to a GRID dir. Add 7.734744 Degs.



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Yates Petroleum Corp.

Eddy County (NAD 83)

Steelers BRS State

#1H

OH

Design: OH

PathfinderX & Y Report

18 June, 2012

PATHFINDER[®]

A Schlumberger Company



Pathfinder PathfinderX & Y Report

PATHFINDER
A Schlumberger Company

Company: Yates Petroleum Corp Project: Eddy County (NAD 83) Site: Steelers BRS State Well: #1H Wellbore: OH Design: OH	Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Database:	Well #1H KB = 18 @ 3359 0usft (Silver Oak 10) KB = 18 @ 3359 0usft (Silver Oak 10) Grid Minimum Curvature EDM 5000 1 Single User Db
---	--	---

Project	Eddy County (NAD 83)
Map System	US State Plane 1983
Geo Datum:	North American Datum 1983
Map Zone:	New Mexico Eastern Zone
System Datum:	Mean Sea Level

Site	Steelers BRS State
Site Position:	
From:	Map
Position Uncertainty:	0 0 usft
Northing:	565,107 302 usft
Easting:	574,157 330 usft
Slot Radius:	13-3/16 "
Latitude:	32° 33' 12 569 N
Longitude:	104° 13' 36 530 W
Grid Convergence:	0 06 °

Well	#1H
Well Position	+N/-S 0 0 usft
	+E/-W 0 0 usft
Position Uncertainty	0 0 usft
Northing:	565,107 302 usft
Easting:	574,157 330 usft
Wellhead Elevation:	usft
Latitude:	32° 33' 12 569 N
Longitude:	104° 13' 36 530 W
Ground Level:	3,341 0 usft

Wellbore	OH				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	4/20/2012	7 80	60 38	48,698

Design	OH			
Audit Notes:				
Version:	1 0			
Phase	ACTUAL			
Tie On Depth:	0 0			
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0 0	0 0	0 0	271 43



Pathfinder PathfinderX & Y Report

PATHFINDER
A Schlumberger Company

Company:	Yates Petroleum Corp	Local Co-ordinate Reference:	Well #1H
Project:	Eddy County (NAD 83)	TVD Reference:	KB = 18 @ 3359 0usft (Silver Oak 10)
Site:	Steelers BRS State	MD Reference:	KB = 18 @ 3359 0usft (Silver Oak 10)
Well:	#1H	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	OH	Database:	EDM 5000 1 Single User Db

Survey Program		Date 6/18/2012		
From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description
200 0	4,750 0	Gyro #1 (OH)	CTG-SR-SS	Continuous gyro - surface ref s/s
4,817 0	10,785 0	MWD #1 (OH)	MWD	MWD - Standard

Survey	MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)
	0 0	0 00	0 00	0 0	-3,359 0	0 0	0 0	0 0	0 00	565,107 30	574,157 33
	200 0	0 92	267 85	200 0	-3,159 0	-0 1	-1 6	1 6	0 46	565,107 24	574,155 73
	400 0	0 93	265 75	400 0	-2,959 0	-0 2	-4 8	4 8	0 02	565,107 06	574,152 50
	600 0	0 83	274 53	599 9	-2,759 1	-0 2	-7 9	7 9	0 08	565,107 06	574,149 44
	800 0	0 64	265 57	799 9	-2,559 1	-0 2	-10 4	10 4	0 11	565,107 08	574,146 88
	1,000 0	0 69	211 55	999 9	-2,359 1	-1 3	-12 2	12 2	0 30	565,105 97	574,145 14
	1,200 0	0 98	200 68	1,199 9	-2,159 1	-4 0	-13 4	13 3	0 16	565,103 34	574,143 90
	1,400 0	1 40	188 05	1,399 8	-1,959 2	-8 0	-14 4	14 2	0 25	565,099 33	574,142 96
	1,600 0	1 26	259 27	1,599 8	-1,759 2	-10 8	-16 9	16 6	0 78	565,096 50	574,140 46
	1,800 0	1 74	237 00	1,799 7	-1,559 3	-12 9	-21 6	21 3	0 37	565,094 43	574,135 75
	2,000 0	1 84	234 10	1,999 6	-1,359 4	-16 4	-26 7	26 3	0 07	565,090 90	574,130 60
	2,200 0	1 70	234 08	2,199 5	-1,159 5	-20 0	-31 7	31 2	0 07	565,087 27	574,125 60
	2,400 0	1 48	234 48	2,399 5	-959 5	-23 3	-36 2	35 6	0 11	565,084 03	574,121 09
	2,600 0	1 29	235 69	2,599 4	-759 6	-26 0	-40 2	39 5	0 10	565,081 26	574,117 13
	2,800 0	0 99	229 06	2,799 4	-559 6	-28 4	-43 4	42 6	0 16	565,078 86	574,113 97
	3,000 0	0 84	220 16	2,999 3	-359 7	-30 7	-45 6	44 8	0 10	565,076 61	574,111 72
	3,200 0	0 94	222 60	3,199 3	-159 7	-33 0	-47 7	46 8	0 05	565,074 28	574,109 66
	3,400 0	0 83	212 15	3,399 3	40 3	-35 5	-49 6	48 6	0 10	565,071 85	574,107 78
	3,600 0	0 73	156 06	3,599 3	240 3	-37 8	-49 8	48 8	0 37	565,069 46	574,107 52
	3,800 0	0 74	150 61	3,799 3	440 3	-40 1	-48 7	47 6	0 04	565,067 17	574,108 68
	4,000 0	0 64	153 97	3,999 3	640 3	-42 3	-47 5	46 5	0 05	565,065 04	574,109 80



Pathfinder PathfinderX & Y Report



Company	Yates Petroleum Corp	Local Co-ordinate Reference:	Well #1H
Project:	Eddy County (NAD 83)	TVD Reference:	KB = 18 @ 3359 0usft (Silver Oak 10)
Site:	Steelers BRS State	MD Reference:	KB = 18 @ 3359 0usft (Silver Oak 10)
Well:	#1H	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	OH	Database:	EDM 5000 1 Single User Db

Survey										
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)
4,200 0	0 77	210 57	4,199 2	840 2	-44 4	-47 7	46 6	0 34	565,062 88	574,109 61
4,400 0	0 84	230 49	4,399 2	1,040 2	-46 5	-49 5	48 4	0 14	565,060 79	574,107 79
4,600 0	0 78	218 66	4,599 2	1,240 2	-48 5	-51 5	50 3	0 09	565,058 79	574,105 81
4,750 0	0 63	212 46	4,749 2	1,390 2	-50 0	-52 6	51 3	0 11	565,057 30	574,104 73
4,817 0	0 18	179 16	4,816 2	1,457 2	-50 4	-52 8	51 5	0 73	565,056 88	574,104 53
4,913 0	0 18	196 12	4,912 2	1,553 2	-50 7	-52 8	51 6	0 06	565,056 59	574,104 49
5,008 0	0 18	152 59	5,007 2	1,648 2	-51 0	-52 8	51 5	0 14	565,056 31	574,104 52
5,103 0	0 26	187 84	5,102 2	1,743 2	-51 3	-52 8	51 5	0 16	565,055 96	574,104 56
5,199 0	0 18	215 79	5,198 2	1,839 2	-51 7	-52 9	51 6	0 14	565,055 63	574,104 44
5,294 0	0 09	99 09	5,293 2	1,934 2	-51 8	-52 9	51 6	0 25	565,055 49	574,104 43
5,388 0	0 09	34 80	5,387 2	2,028 2	-51 8	-52 8	51 5	0 10	565,055 54	574,104 54
5,483 0	0 18	20 28	5,482 2	2,123 2	-51 6	-52 7	51 4	0 10	565,055 74	574,104 64
5,578 0	0 53	27 57	5,577 2	2,218 2	-51 0	-52 4	51 1	0 37	565,056 27	574,104 89
5,673 0	0 79	36 10	5,672 2	2,313 2	-50 1	-51 8	50 6	0 29	565,057 19	574,105 48
5,769 0	0 70	28 14	5,768 2	2,409 2	-49 1	-51 2	49 9	0 14	565,058 24	574,106 15
5,801 0	0 62	327 08	5,800 2	2,441 2	-48 7	-51 2	49 9	2 11	565,058 56	574,106 15
5,832 0	2 02	283 23	5,831 2	2,472 2	-48 5	-51 8	50 6	5 26	565,058 83	574,105 52
KOP - 5832.0 'MD, 5831.2 'TVD, -48 5 'N, -51 8 'E										
5,864 0	4 22	266 43	5,863 1	2,504 1	-48 4	-53 5	52 3	7 37	565,058 88	574,103 80
5,896 0	7 47	265 68	5,894 9	2,535 9	-48 6	-56 8	55 5	10 16	565,058 65	574,100 55
5,928 0	10 99	266 14	5,926 5	2,567 5	-49 0	-61 9	60 7	11 00	565,058 29	574,095 43
5,959 0	14 33	271 20	5,956 8	2,597 8	-49 1	-68 7	67 4	11 34	565,058 17	574,088 64
5,991 0	17 24	274 76	5,987 6	2,628 6	-48 7	-77 4	76 1	9 58	565,058 65	574,079 96
6,023 0	20 75	280 27	6,017 8	2,658 8	-47 2	-87 7	86 5	12 31	565,060 05	574,069 65
6,055 0	25 15	281 56	6,047 3	2,688 3	-44 9	-99 9	98 8	13 84	565,062 43	574,057 40
6,087 0	29 46	281 24	6,075 7	2,716 7	-42 0	-114 3	113 2	13 48	565,065 33	574,043 02
6,118 0	33 77	280 53	6,102 1	2,743 1	-38 9	-130 3	129 3	13 95	565,068 39	574,027 06



Pathfinder PathfinderX & Y Report



Company:	Yates Petroleum Corp	Local Co-ordinate Reference:	Well #1H
Project:	Eddy County (NAD 83)	TVD Reference:	KB = 18 @ 3359 0usft (Silver Oak 10)
Site:	Steelers BRS State	MD Reference:	KB = 18 @ 3359 0usft (Silver Oak 10)
Well:	#1H	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	OH	Database:	EDM 5000 1 Single User Db

Survey										
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)
6,150 0	36 67	279 37	6,128 2	2,769 2	-35 7	-148 4	147 5	9 30	565,071 57	574,008 89
6,182 0	39 13	279 19	6,153 5	2,794 5	-32 6	-167 8	167 0	7 70	565,074 74	573,989 49
6,214 0	41 33	280 00	6,177 9	2,818 9	-29 1	-188 2	187 4	7 07	565,078 19	573,969 11
6,245 0	44 49	281 07	6,200 6	2,841 6	-25 3	-209 0	208 3	10 46	565,082 05	573,948 37
6,277 0	48 54	282 91	6,222 6	2,863 6	-20 4	-231 7	231 1	13 33	565,086 88	573,925 66
6,314 0	52 41	284 26	6,246 2	2,887 2	-13 7	-259 4	259 0	10 83	565,093 60	573,897 93
6,345 0	54 87	285 53	6,264 5	2,905 5	-7 3	-283 5	283 3	8 59	565,100 02	573,873 81
6,377 0	57 77	286 43	6,282 3	2,923 3	0 0	-309 1	309 0	9 36	565,107 35	573,848 21
6,406 0	61 29	286 50	6,297 0	2,938 0	7 1	-333 1	333 2	12 14	565,114 43	573,824 25
6,437 0	65 25	286 80	6,310 9	2,951 9	15 1	-359 6	359 9	12 80	565,122 37	573,797 73
6,468 0	70 17	285 88	6,322 7	2,963 7	23 1	-387 1	387 6	16 11	565,130 43	573,770 21
6,499 0	75 45	284 81	6,331 8	2,972 8	31 0	-415 7	416 3	17 35	565,138 26	573,741 66
6,515 0	77 73	284 31	6,335 6	2,976 6	34 9	-430 7	431 5	14 57	565,142 17	573,726 60
6,557 0	83 80	282 66	6,342 3	2,983 3	44 5	-471 0	472 0	14 96	565,151 83	573,686 30
6,651 0	86 70	281 87	6,350 1	2,991 1	64 4	-562 6	564 0	3 20	565,171 73	573,594 77
6,744 0	89 78	281 08	6,352 9	2,993 9	82 9	-653 6	655 5	3 42	565,190 22	573,503 69
LP - 6744 0 'MD, 6352.9 'TVD, 82.9 'N, -653.6 'E										
6,838 0	91 19	280 99	6,352 1	2,993 1	100 9	-745 9	748 2	1 50	565,208 21	573,411 43
6,931 0	91 45	278 97	6,350 0	2,991 0	117 0	-837 5	840 1	2 19	565,224 32	573,319 87
7,024 0	91 36	273 70	6,347 7	2,988 7	127 3	-929 8	932 7	5 67	565,234 57	573,227 50
7,117 0	90 31	270 89	6,346 4	2,987 4	131 0	-1,022 7	1,025 7	3 23	565,238 30	573,134 59
7,211 0	90 31	271 15	6,345 9	2,986 9	132 7	-1,116 7	1,119 7	0 28	565,239 97	573,040 61
7,304 0	88 37	267 98	6,346 9	2,987 9	132 0	-1,209 7	1,212 6	4 00	565,239 26	572,947 63
7,398 0	88 55	267 90	6,349 4	2,990 4	128 6	-1,303 6	1,306 4	0 21	565,235 89	572,853 73
7,491 0	89 60	268 25	6,351 0	2,992 0	125 5	-1,396 5	1,399 2	1 19	565,232 76	572,760 79
7,583 0	89 87	268 07	6,351 4	2,992 4	122 5	-1,488 5	1,491 1	0 35	565,229 81	572,668 84
7,677 0	89 96	268 16	6,351 5	2,992 5	119 4	-1,582 4	1,584 9	0 14	565,226 72	572,574 89



Pathfinder
PathfinderX & Y Report

PATHFINDER
A Schlumberger Company

Company:	Yates Petroleum Corp.	Local Co-ordinate Reference:	Well #1H
Project:	Eddy County (NAD 83)	TVD Reference:	KB = 18 @ 3359 0usft (Silver Oak 10)
Site:	Steelers BRS State	MD Reference:	KB = 18 @ 3359 0usft (Silver Oak 10)
Well:	#1H	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	OH	Database:	EDM 5000 1 Single User Db

Survey											
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)	
7,770 0	90 13	268 25	6,351 4	2,992 4	116 5	-1,675 4	1,677 8	0 21	565,223 80	572,481 94	
7,863 0	90 31	267 81	6,351 1	2,992 1	113 3	-1,768 3	1,770 6	0 51	565,220 61	572,388 99	
7,956 0	90 57	268 16	6,350 4	2,991 4	110 0	-1,861 3	1,863 4	0 47	565,217 34	572,296 05	
8,051 0	89 87	268 25	6,350 0	2,991 0	107 1	-1,956 2	1,958 3	0 74	565,214 36	572,201 10	
8,143 0	89 34	269 74	6,350 6	2,991 6	105 4	-2,048 2	2,050 2	1 72	565,212 75	572,109 12	
8,236 0	89 69	269 83	6,351 4	2,992 4	105 1	-2,141 2	2,143 2	0 39	565,212 40	572,016 13	
8,330 0	89 78	269 57	6,351 9	2,992 9	104 6	-2,235 2	2,237 1	0 29	565,211 91	571,922 13	
8,423 0	89 87	269 57	6,352 1	2,993 1	103 9	-2,328 2	2,330 1	0 10	565,211 21	571,829 13	
8,517 0	89 52	270 01	6,352 6	2,993 6	103 6	-2,422 2	2,424 0	0 60	565,210 86	571,735 13	
8,610 0	89 87	270 53	6,353 1	2,994 1	104 0	-2,515 2	2,517 0	0 67	565,211 30	571,642 14	
8,703 0	89 60	270 27	6,353 6	2,994 6	104 7	-2,608 2	2,610 0	0 40	565,211 95	571,549 14	
8,797 0	89 60	270 01	6,354 2	2,995 2	104 9	-2,702 2	2,704 0	0 28	565,212 18	571,455 14	
8,890 0	89 87	269 74	6,354 7	2,995 7	104 7	-2,795 2	2,796 9	0 41	565,211 98	571,362 14	
8,984 0	89 69	269 48	6,355 0	2,996 0	104 0	-2,889 2	2,890 9	0 34	565,211 34	571,268 15	
9,077 0	89 69	271 06	6,355 5	2,996 5	104 5	-2,982 2	2,983 9	1 70	565,211 78	571,175 15	
9,170 0	90 22	271 15	6,355 6	2,996 6	106 3	-3,075 2	3,076 9	0 58	565,213 57	571,082 17	
9,263 0	90 40	271 24	6,355 1	2,996 1	108 2	-3,168 1	3,169 9	0 22	565,215 51	570,989 19	
9,356 0	90 48	271 15	6,354 4	2,995 4	110 1	-3,261 1	3,262 8	0 13	565,217 45	570,896 21	
9,450 0	90 40	271 32	6,353 7	2,994 7	112 2	-3,355 1	3,356 8	0 20	565,219 48	570,802 24	
9,543 0	89 43	271 15	6,353 8	2,994 8	114 2	-3,448 1	3,449 8	1 06	565,221 48	570,709 26	
9,637 0	89 34	270 89	6,354 8	2,995 8	115 9	-3,542 0	3,543 8	0 29	565,223 15	570,615 28	
9,730 0	89 43	271 06	6,355 8	2,996 8	117 4	-3,635 0	3,636 8	0 21	565,224 74	570,522 30	
9,823 0	90 04	270 97	6,356 2	2,997 2	119 1	-3,728 0	3,729 8	0 66	565,226 38	570,429 32	
9,917 0	89 87	271 32	6,356 3	2,997 3	121 0	-3,822 0	3,823 8	0 41	565,228 26	570,335 34	
10,011 0	89 52	271 50	6,356 8	2,997 8	123 3	-3,916 0	3,917 8	0 42	565,230 57	570,241 37	
10,104 0	90 04	271 41	6,357 2	2,998 2	125 6	-4,008 9	4,010 8	0 57	565,232 94	570,148 40	
10,198 0	89 52	269 83	6,357 5	2,998 5	126 7	-4,102 9	4,104 8	1 77	565,233 95	570,054 41	



Pathfinder
PathfinderX & Y Report

PATHFINDER
A Schlumberger Company

Company:	Yates Petroleum Corp	Local Co-ordinate Reference.	Well #1H
Project:	Eddy County (NAD 83)	TVD Reference.	KB = 18 @ 3359 0usft (Silver Oak 10)
Site:	Steelers BRS State	MD Reference:	KB = 18 @ 3359 0usft (Silver Oak 10)
Well:	#1H	North Reference	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	OH	Database:	EDM 5000 1 Single User Db

Survey										
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)
10,291 0	89 08	269 65	6,358 7	2,999 7	126 2	-4,195 9	4,197 8	0 51	565,233 53	569,961 41
10,385 0	89 60	269 92	6,359 7	3,000 7	125 9	-4,289 9	4,291 7	0 62	565,233 18	569,867 42
10,479 0	89 60	269 65	6,360 4	3,001 4	125 5	-4,383 9	4,385 7	0 29	565,232 83	569,773 43
10,573 0	90 13	269 83	6,360 6	3,001 6	125 1	-4,477 9	4,479 6	0 60	565,232 40	569,679 43
10,666 0	89 52	270 27	6,360 9	3,001 9	125 2	-4,570 9	4,572 6	0 81	565,232 48	569,586 43
10,710 0	89 34	270 01	6,361 3	3,002 3	125 3	-4,614 9	4,616 6	0 72	565,232 59	569,542 43
10,785 0	89 34	270 01	6,362 2	3,003 2	125 3	-4,689 9	4,691 6	0 00	565,232 60	569,467 44
BHL - 10785.0 'MD, 6362.2 'TVD, 125.3 'N, -4689.9 'E - FNL=496 7', FWL=378.4', FNL=829.4'										

Design Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
5,832 0	5,831 2	-48 5	-51 8	KOP - 5832 0 'MD, 5831 2 'TVD, -48 5 'N, -51 8 'E
6,744 0	6,352 9	82 9	-653 6	LP - 6744 0 'MD, 6352 9 'TVD, 82 9 'N, -653 6 'E
10,785 0	6,362 2	125 3	-4,689 9	BHL - 10785 0 'MD, 6362 2 'TVD, 125 3 'N, -4689 9 'E
10,785 0	6,362 2	125 3	-4,689 9	FNL=496 7', FWL=378 4', FNL=829 4'

Checked By _____	Approved By _____	Date _____
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**ATES
PETROLEUM
CORPORATION**

Project Eddy County (NAD 83)
Site Steelers BRS State
Well #1H
Wellbore OH
Plan Post Gyro Plan #4

PROJECT DETAILS Eddy County (NAD 83)
Geodetic System US State Plane 1983
Datum North American Datum 1983
Ellipsoid GRS 1980
Zone New Mexico Eastern Zone
System Datum Mean Sea Level
Local North Grid

PATHFINDER®

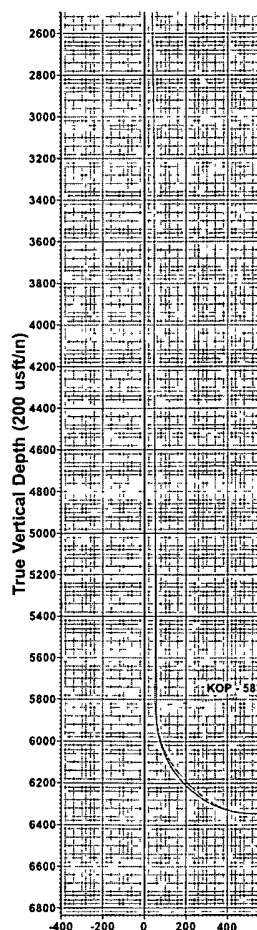
A Schlumberger Company

WELL DETAILS #1H

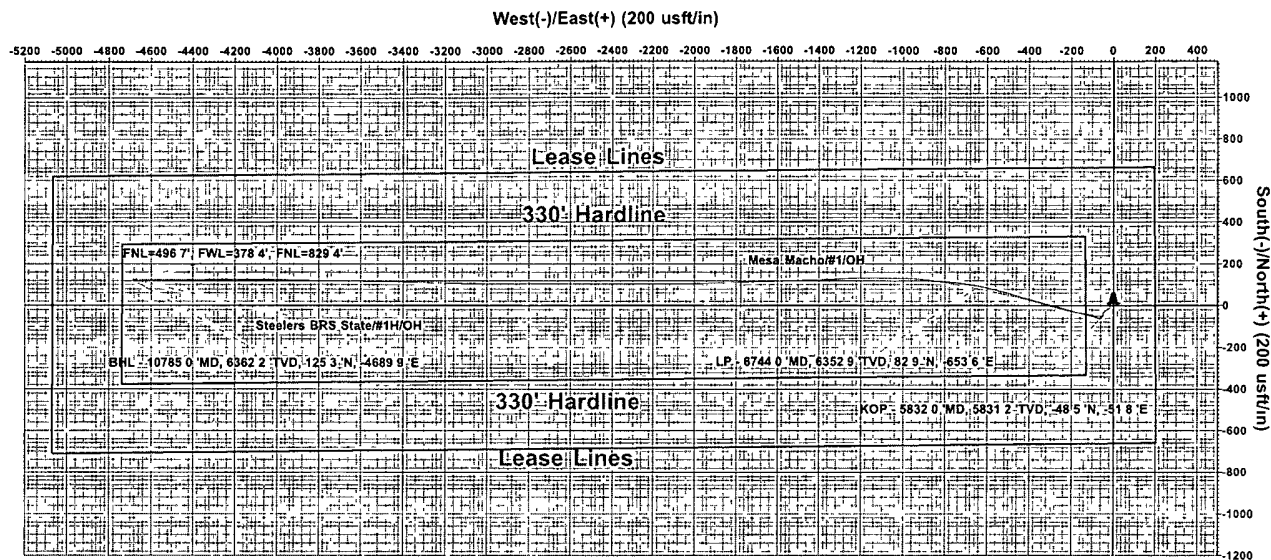
Ground Elevation 3341.0
RKB Elevation KB = 18 @ 3359.0usft (Silver Oak 10)
Rig Name Silver Oak 10

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.0	0.0	565107.302	574157.330	32° 33' 12.569 N	104° 13' 36.530 W	

EOW



Vertical Section at 271.43° (200 usft/in)



SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSecl	Target
1	4750.0	0.63	212.46	4749.2	-50.0	-52.6	0.00	0.00	51.3	
2	5870.4	0.63	212.46	5869.5	-60.4	-59.2	0.00	0.00	57.7	
3	6617.9	89.88	285.80	6345.5	64.5	-519.0	12.00	73.34	520.5	
4	7013.0	89.88	270.00	6346.3	118.6	-909.1	4.00	-90.00	911.8	
5	10840.8	89.88	270.00	6354.0	118.5	-4736.9	0.00	0.00	4738.4	PBHL(Steelers #1H)

DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
PBHL(Steelers #1H)	6354.0	118.5	-4736.9	565225.760	569420.410	32° 33' 13.785 N 104° 14' 31.876 W	



Azimuths to Grid North
True North -0.06°
Magnetic North 7.74°

Magnetic Field
Strength 48698.0snT
Dip Angle 60.38°
Date 4/20/2012
Model IGRF200510

Plan Post Gyro Plan #4 (#1H/OH)

Created By Sam Bille Date 9/17, June 18 2012

Checked _____ Date _____

ATES Petroleum Corp.
4400 Central Expressway
Houston, TX 77056
Phone 281.281.1111
Fax 281.281.1112
Email ates@ates.com

STEELERS BRS STATE 1-H

Date	Depth	Deviation	Direction	TVD	Horiz. Disp.
5/23/2012	360	1.30			
5/26/2012	851	0.30			
5/26/2012	1372	1.90			
5/27/2012	1572	1.00			
5/28/2012	1784	2.30			
5/28/2012	2006	1.60			
5/28/2012	2202	1.60			
5/28/2012	2390	1.90			
5/29/2012	2609	1.80			
5/29/2012	2894	0.70			
5/29/2012	3384	0.50			
5/30/2012	3900	0.60			
5/31/2012	4418	0.50			
6/5/2012	4817	0.18	176.16	4816.00	51.52
6/5/2012	4913	0.18	169.12	4912.00	51.55
6/5/2012	5008	0.18	152.59	5007.19	51.52
6/5/2012	5103	0.26	187.84	5102.19	51.47
6/6/2012	5199	0.18	215.79	5198.19	51.58
6/6/2012	5294	0.09	99.09	5293.19	51.59
6/6/2012	5388	0.09	34.80	5387.00	51.48
6/6/2012	5483	0.18	20.28	5482.19	51.39
6/6/2012	5578	0.53	27.50	5577.18	51.15
6/6/2012	5673	0.79	36.10	5672.18	50.58
6/6/2012	5769	0.70	28.14	5768.17	49.94
6/6/2012	5801	0.62	327.08	5800.00	50.00
6/7/2012	5832	2.02	283.23	5831.00	50.00
6/7/2012	5864	4.22	266.43	5863.00	52.00
6/7/2012	5896	7.47	265.68	5895.00	55.00
6/7/2012	5928	10.99	266.14	926.00	60.00
6/7/2012	5959	14.33	271.20	5956.00	67.00
6/7/2012	5991	17.24	274.76	5987.00	76.00
6/7/2012	6023	0.75	280.27	6017.00	86.00
6/7/2012	6055	25.15	281.56	6047.00	99.00
6/7/2012	6087	29.46	281.24	6075.00	131.00
6/7/2012	6118	33.77	280.53	6102.00	0.29
6/7/2012	6150	3667.00	279.37	6128.00	147.00
6/8/2012	6182	39.13	279.71	6513.00	167.00
6/8/2012	6214	41.33	280.00	6178.00	187.00
6/8/2012	6245	44.49	281.07	6200.00	208.00
6/8/2012	6277	48.54	282.91	6222.00	231.00
6/8/2012	6314	52.14	284.26	6246.00	259.00
6/8/2012	6345	54.87	285.53	6264.00	343.00
6/9/2012	6406	61.29	286.50	6297.00	333.00

Date	Depth	Deviation	Direction	TVD	Horiz. Disp.
6/9/2012	6437	65.25	286.80	6311.00	360.00
6/9/2012	6468	70.17	285.88	6322.00	387.00
6/9/2012	6515	77.73	284.31	6335.00	431.00
6/11/2012	6557	83.80	282.66	6342.30	471.99
6/11/2012	6651	86.70	281.96	6350.08	563.99
6/11/2012	6744	89.78	281.08	6352.94	655.51
6/11/2012	6838	91.19	280.99	6352.14	748.19
6/11/2012	6931	91.45	278.97	6350.00	840.00
6/11/2012	7024	91.36	273.70	6347.72	932.72
6/11/2012	7117	90.31	270.89	6346.36	1025.69
6/12/2012	7211	90.31	271.15	6345.85	1119.69
6/12/2012	7304	88.37	267.98	6346.93	1212.61
6/12/2012	7398	88.55	267.90	6349.45	1306.41
6/12/2012	7491	89.60	268.25	6351.00	1399.00
6/12/2012	7583	89.87	268.07	6351.00	1491.00
6/12/2012	7677	89.96	268.16	6351.00	1491.00
6/12/2012	7863	90.31	267.81	6351.00	1770.00
6/12/2012	7956	90.57	268.16	6350.00	1863.44
6/12/2012	8051	89.87	268.25	6350.01	1958.29
6/13/2012	8143	89.34	269.74	6350.64	2050.20
6/13/2012	8236	89.69	269.83	6351.43	2143.16
6/13/2012	8330	89.78	269.57	6351.86	2237.12
6/13/2012	8423	89.87	269.57	6352.00	2330.00
6/13/2012	8517	89.52	270.01	6352.00	2424.00
6/13/2012	8610	89.87	270.53	6353.00	2517.00
6/13/2012	8703	89.60	270.27	6353.57	2609.99
6/13/2012	8797	89.60	270.01	6345.23	2703.96
6/13/2012	8890	89.87	269.74	6354.66	2746.93
6/14/2012	8984	89.69	269.48	6355.02	2890.88
6/14/2012	9077	89.69	271.06	6355.02	2983.86
6/14/2012	9170	90.22	271.15	6355.60	3076.85
6/14/2012	9236	90.40	271.24	6355.09	269.85
6/14/2012	9356	90.48	271.15	6354.38	3262.85
6/14/2012	9450	90.40	271.32	6353.00	3356.00
6/14/2012	9543	89.43	271.15	6353.80	3449.84
6/14/2012	9637	89.34	270.89	6354.81	3543.84
6/14/2012	9730	89.43	271.06	6355.80	3636.83
6/15/2012	9823	90.04	270.97	6356.23	3729.82
6/15/2012	9917	89.87	271.32	6356.31	3823.82
6/15/2012	10011	89.52	271.50	6356.81	3917.82
6/15/2012	10104	90.04	271.41	6357.17	4010.82
6/15/2012	10198	89.52	369.83	6357.53	4104.81
6/15/2012	10291	89.08	269.65	6358.66	4197.76
6/16/2012	10385	89.60	269.92	6359.75	4291.71
6/16/2012	10479	89.61	269.65	6360.14	4385.67

Date	Depth	Deviation	Direction	TVD	Horiz. Disp.
6/16/2012	10573	90.13	269.83	6360.62	4479.63
6/16/2012	10666	89.52	270.27	6360.91	4572.60
6/16/2012	10710	89.34	270.01	6361.34	4646.59