

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 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-015-36027 5. Indicate Type of Lease STATE ☒ FEE ☐ State Oil & Gas Lease No. BO-2885-0015
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WELL COMPLETION OR RECOMPLETION REPORT AND LOG	
1a. Type of Well: OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER _____ b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. ☐ WELL OVER BACK RESVR	7. Lease Name or Unit Agreement Name Big Miguel BKN State Com JUL 21 2008
2 Name of Operator Yates Petroleum Corporation	8. Well No. 1H OCD-ARTESIA
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 (575) 748-1471	9. Pool name or Wildcat Wildcat; Wolfcamp Countyline Tank 97712
4. Well Location Surface M : 400 Feet From The South Line and 200 Feet From The West Line BHL P : 492 Feet From The South Line and 340 Feet From The East Line Section 2 Township 16S Range 29E NMPM Eddy County	
10. Date Spudded RH 3/13/08 RT 3/16/08	11. Date T.D. Reached 4/21/08
12. Date Compl. (Ready to Prod.) 6/22/08	13. Elevations (DF& RKB, RT, GR, etc.) 3723'GR 3741'KB
14. Elev. Casinghead	
15. Total Depth 11,780' TMD 7327' TVD	16. Plug Back T.D. 11,736'
17. If Multiple Compl How Many Zones?	18. Intervals Drilled By Rotary Tools 40'-11,780'
19. Producing Interval(s), of this completion - Top, Bottom, Name 7330'-11,703' Wolfcamp	
20. Was Directional Survey Made Yes (Attached)	
21. Type Electric and Other Logs Run CNL, Hi-Res Laterolog Array	
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
16"	Conductor	40'		Redi-mix to surface	
11-3/4"	42#	426'	14-3/4"	300 sx (circ)	
8-5/8"	24#, 32#	2622'	11"	850 sx (circ)	
5-1/2"	17#, 20#	11,780'	7-7/8"	1525 sx (circ)	

24 LINER RECORD				25 TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	6750'	

26. Perforation record (interval, size, and number) SEE ATTACHED SHEET	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED SEE ATTACHED SHEET
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28 PRODUCTION							
Date First Production 6/23/08		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping			Well Status (Prod. or Shut-in) Producing		
Date of Test 7/14/08	Hours Tested 24 hrs	Choke Size NA	Prod'n For Test Period	Oil - Bbl 61	Gas - MCF 66	Water - Bbl. 234	Gas - Oil Ratio NA
Flow Tubing Press. 160 psi	Casing Pressure 60 psi	Calculated 24-Hour Rate	Oil - Bbl. 61	Gas - MCF 66	Water - Bbl. 234	Oil Gravity - API - (Corr.) NA	
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold						Test Witnessed By B. Doshier	

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>July 11, 2008</u>
E-mail Address <u>tinah@ypcnm.com</u>	

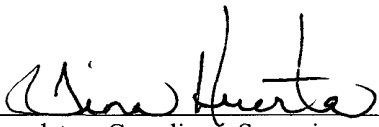
Form C-105 continued:

26. Perforation Record (interval, size, and number)

10,886'-10,887' (6)	8892'-8893' (10)
11,086'-11,087' (6)	9086'-9087' (10)
11,286'-11,287' (6)	9298'-9299' (10)
11,486'-11,487' (6)	9486'-9487' (10)
11,686'-11,687' (6)	9686'-9687' (10)
10,986'-10,987' (6)	8286'-8287' (10)
11,144'-11,145' (6)	8474'-8475' (10)
11,224'-11,225' (6)	8536'-8537' (10)
11,396'-11,397' (6)	8594'-8595' (10)
11,506'-11,507' (6)	8660'-8661' (10)
11,640'-11,641' (6)	8730'-8731' (10)
11,702'-11,703' (6)	8816'-8817' (10)
9940'-9941' (10)	7330'-7331' (10)
10,086'-10,087' (10)	7420'-7421' (10)
10,252'-10,253' (10)	7440'-7441' (10)
10,404'-10,405' (10)	7650'-7651' (10)
10,590'-10,591' (10)	7800'-7801' (10)
10,730'-10,731' (10)	8086'-8087' (10)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

<u>Depth Interval</u>	<u>Amount and Kind Material Used</u>
11,686'-11,687'	Acidize w/1000g 20% acid
10,886'-11,687'	Acidize w/3000g 20% IC acid and 60 bio balls
10,986'-11,703'	Acidize w/40,000g hot 20% gelled acid, 60,000g gelled water w/13,500# 20/40 Jordan and 5000g cold 20% IC acid
9940'-10,731'	Frac w/237,000g slick water, 57,000# mixture of 100 mesh, 40/70 and 20/40 sand
8892'-9687'	Frac w/262,000g slick water, 110,700# mixture of 100 mesh, 40/70 and 20/40 sand
8286'-8817'	Frac w/191,000g slick water, 93,000# mixture of 100 mesh, 40/70 and 20/40 sand
7330'-8087'	Frac w/210,000g slick water, 111,600# 100 mesh, 40/70 and 20/40 sand



Regulatory Compliance Supervisor
July 11, 2008

Yates Petroleum Corp.

Eddy County

S2 T16S R29E

Big Miguel BKN State Com #1H

Original Hole

Survey: MWD

Pathfinder Standard X & Y Report

25 April, 2008

Yates Petroleum Corp.



Azimuths to Grid North
True North: -0.15°
Magnetic North: 8.08°

Magnetic Field
Strength: 49366.9nT
Dip Angle: 60.86°
Date: 4/3/2008
Model: IGRF200510



WELL DETAILS Big Miguel BKN State Com #1H

Ground Elevation 3721.00
RKB Elevation EST RKB @ 3721.00ft
Rig Name

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	707479.490	627199.488	32° 56' 40.410 N	104° 3' 12.390 W	

SECTION DETAILS

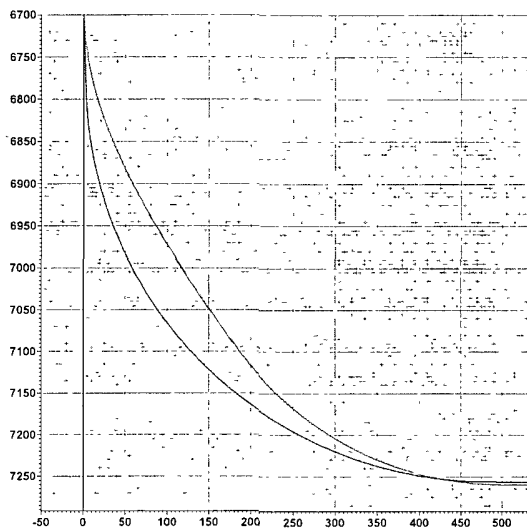
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	6790.00	1.61	86.28	6789.72	-18.55	3.39	0.00	0.00	2.99	
2	7525.78	89.48	88.55	7256.00	-6.02	478.43	11.94	2.28	478.20	
3	7599.58	89.48	88.56	7256.67	-4.15	552.21	0.01	98.80	551.99	
4	11813.79	89.48	88.56	7295.00	101.95	4764.91	0.00	0.00	4766.00	BHL

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)

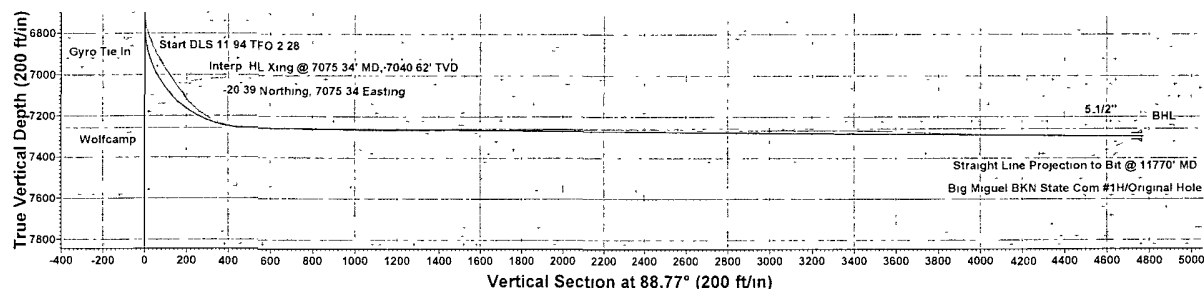
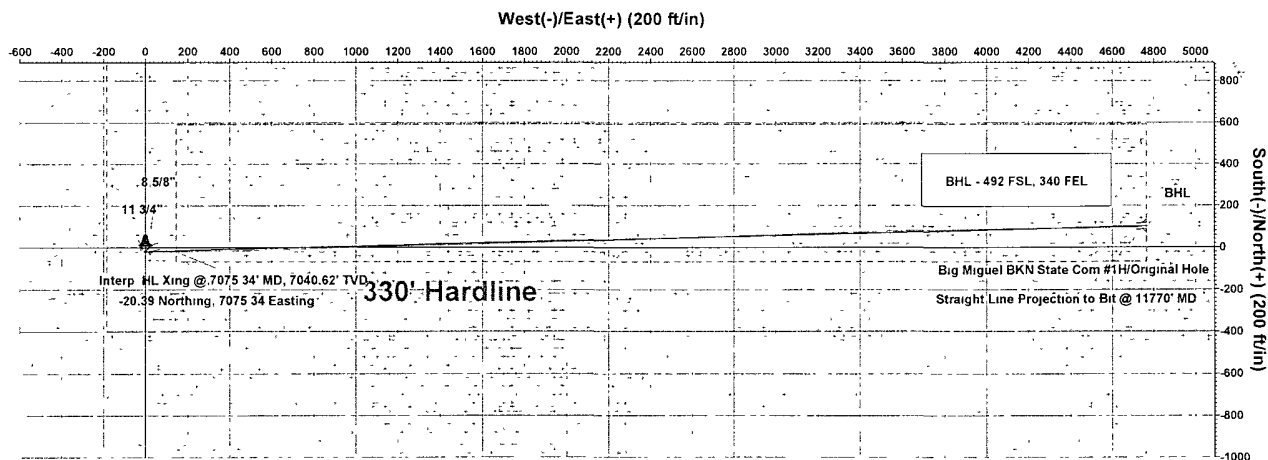
Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
BHL	7295.00	101.95	4764.91	707581.435	631964.396	Point

Project: Eddy County
Site: S2 T16S R29E
Well: Big Miguel BKN State Com #1H
Wellbore: Original Hole
Plan: Plan #4 (Big Miguel BKN State Com #1H/Original Hole)

FORMATION TOP DETAILS
TVDPath MDPath Formation
1012.00 1012.04 Yates
1231.00 1231.05 Seven Rivers
1742.00 1742.07 Queen
2160.00 2160.07 Grayburg
2526.00 2526.07 San Andres
4032.00 4032.12 Glorieta
5304.00 5304.16 Tubb
6020.00 6020.17 Abo
7258.00 7745.76 Wolfcamp



EOW



PROJECT DETAILS Eddy County
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

Plan: Plan #4 (Big Miguel BKN State Com #1H/Original Hole)

Created By Mark Freeman Date 15 Apr, April 25 2008

Checked _____ Date _____

WHS

Pathfinder Standard X & Y Report

Company: Yates Petroleum Corp. Project: Eddy County Site: S2 T16S R29E Well: Big Miguel BKN State Com #1H Wellbore: Original Hole Design: Original Hole	Local Co-ordinate Reference: Well Big Miguel BKN State Com #1H TVD Reference: EST RKB @ 3721 00ft MD Reference: EST RKB @ 3721 00ft North Reference: Grid Survey Calculation Method: Minimum Curvature Database: EDM 2003 16 Single User Db
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Project: Eddy County Map System: US State Plane 1983 Geo Datum: North American Datum 1983 Map Zone: New Mexico Eastern Zone	System Datum: Mean Sea Level
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Site: S2 T16S R29E			
Site Position:	Northing:	Latitude:	
From: Lat/Long	707,479 490 ft	32° 56' 40 410 N	
Position Uncertainty: 0 00 ft	Easting: 627,199 488 ft	Longitude: 104° 3' 12 390 W	
	Slot Radius: "	Grid Convergence: 0 15 °	

Well: Big Miguel BKN State Com #1H			
Well Position	Northing:	Latitude:	
+N/-S 0 00 ft	707,479 490 ft	32° 56' 40 410 N	
+E/-W 0.00 ft	Easting: 627,199 488 ft	Longitude: 104° 3' 12 390 W	
Position Uncertainty 0 00 ft	Wellhead Elevation: ft	Ground Level: 3,721 00 ft	

Wellbore: Original Hole			
Magnetics	Model Name	Sample Date	Declination
	IGRF200510	4/3/2008	(°) 8.24
			Dip Angle (°) 60 86
			Field Strength (nT) 49,367

Design: Original Hole			
Audit Notes:			
Version: 1 0	Phase: ACTUAL	Tie On Depth: 0.00	
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W
	(ft)	(ft)	(ft)
	0 00	0 00	0 00
			Direction (°) 88 77

WHS

Pathfinder Standard X & Y Report

Company: Yates Petroleum Corp
Project: Eddy County
Site: S2 T16S R29E
Well: Big Miguel BKN State Com #1H
Wellbore: Original Hole
Design: Original Hole

Local Co-ordinate Reference: Well Big Miguel BKN State Com #1H
TVD Reference: EST RKB @ 3721.00ft
MD Reference: EST RKB @ 3721 00ft
North Reference: Grd
Survey Calculation Method: Minimum Curvature
Database: EDM 2003 16 Single User Db

Survey Program		Date 4/25/2008			
From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description	
100 00	6,700 00	Gyro Survey (Original Hole)	CB-GYRO-MS	Camera based gyro multishot	
6,734 00	11,770 00	MWD (Original Hole)	MWD	MWD - Standard	

Survey										
MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	TFace (°)	
6,700 00	1 50	83.41	6,699 75	2,978 75	-18 77	0 96	0 56	0 00	0 00	
6,734.00	6.86	84.37	6,733.65	3,012 65	-18 52	3.43	3 03	15 77	1 23	
6,766 00	11.52	86.69	6,765 23	3,044 23	-18 15	8.52	8.13	14 61	5 69	
6,797 00	16.18	88 03	6,795 32	3,074 32	-17 82	15.93	15 55	15 07	4 59	
6,829 00	20 40	90 11	6,825 70	3,104 70	-17 68	25 97	25 59	13 34	9 78	
6,861 00	23 13	91 76	6,855 42	3,134 42	-17 88	37.83	37 44	8 74	13 40	
6,892 00	25 68	91 69	6,883 64	3,162 64	-18 27	50 63	50 23	8 23	-0 68	
6,924 00	28 31	91 36	6,912 15	3,191 15	-18 65	65.15	64 74	8 23	-3 41	
6,956 00	30 34	90 70	6,940 05	3,219 05	-18 93	80.82	80 40	6.42	-9 34	
6,987 00	31 30	91 40	6,966 67	3,245 67	-19 22	96.70	96 27	3 31	20 79	
7,019 00	32 98	91 72	6,993.77	3,272 77	-19.69	113 72	113 27	5 28	5.92	
7,050 00	33 94	91 26	7,019.63	3,298 63	-20 13	130 80	130 34	3 20	-14.99	
7,082 00	34 29	90 68	7,046 13	3,325 13	-20 44	148 75	148 28	1 49	-43.15	
7,114 00	35 09	90 00	7,072 44	3,351 44	-20 54	166 96	166 48	2 78	-26 10	
7,146 00	36 67	88 89	7,098 36	3,377.36	-20 36	185 71	185 23	5 34	-22 83	
7,177 00	40 36	88 24	7,122 62	3,401 62	-19 87	205 01	204.53	11 97	-6 52	
7,209 00	44 76	88 37	7,146 18	3,425 18	-19 23	226 64	226.17	13 75	1 19	
7,241 00	49 42	88 88	7,167 96	3,446 96	-18 67	250 06	249 60	14 61	4 76	
7,272 00	54.34	88 50	7,187 09	3,466 09	-18 11	274 43	273 98	15 90	-3 60	
7,304 00	58 83	88 39	7,204 71	3,483 71	-17 39	301 13	300 69	14 03	-1 20	
7,336.00	63 66	89 00	7,220 10	3,499 10	-16 75	329 17	328 73	15 19	6 47	

WHS

Pathfinder Standard X & Y Report

Company: Yates Petroleum Corp.
Project: Eddy County
Site: S2 T16S R29E
Well: Big Miguel BKN State Com #1H
Wellbore: Original Hole
Design: Original Hole

Local Co-ordinate Reference: Well Big Miguel BKN State Com #1H
TVD Reference: EST RKB @ 3721.00ft
MD Reference: EST RKB @ 3721 00ft
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	TFace (°)
7,367.00	68 50	89 41	7,232 67	3,511.67	-16 36	357 49	357 06	15.66	4 51
7,399.00	73.16	89 32	7,243.17	3,522.17	-16.03	387.71	387 28	14 56	-1.06
7,431 00	77 91	89.44	7,251.16	3,530 16	-15 69	418 68	418 25	14.85	1 42
7,462 00	82 92	89.38	7,256 32	3,535.32	-15 38	449 24	448 81	16 16	-0.68
7,494 00	87.76	88 85	7,258 92	3,537 92	-14 88	481 12	480.69	15 21	-6.25
7,526.00	89 96	88 61	7,259 56	3,538.56	-14 17	513.10	512 68	6.92	-6.23
7,556.00	90.40	88 74	7,259.46	3,538 46	-13.48	543 10	542 68	1 53	16 46
7,652.00	89 52	88 11	7,259 53	3,538 53	-10 84	639 06	638 68	1 13	-144 40
7,715.00	89 34	88 05	7,260 16	3,539 16	-8 73	702 02	701.67	0 30	-161.57
7,779 00	88 99	87 44	7,261 09	3,540 09	-6 21	765 96	765.65	1 10	-119.85
7,842.00	88.81	87 83	7,262 30	3,541.30	-3.61	828.90	828 63	0 68	114 78
7,906 00	88 29	88 02	7,263 92	3,542.92	-1.30	892 83	892 60	0 87	159.94
8,001 00	89 08	88 29	7,266 10	3,545 10	1.76	987 76	987 57	0 88	18 87
8,064.00	89 25	88 62	7,267.02	3,546.02	3 46	1,050 73	1,050 56	0 59	62.74
8,160 00	90 13	88 67	7,267 54	3,546 54	5 73	1,146 70	1,146 56	0 92	3 25
8,255 00	90 84	88 87	7,266 73	3,545 73	7 77	1,241 67	1,241 56	0 78	15 73
8,318 00	90 75	88 98	7,265.86	3,544 86	8 95	1,304.66	1,304 55	0 23	129 29
8,382.00	91 89	88 40	7,264 38	3,543 38	10 41	1,368 62	1,368 53	2 00	-26 95
8,477.00	91 10	88 71	7,261 90	3,540 90	12.81	1,463.56	1,463 50	0.89	158 58
8,509.00	90 92	88 55	7,261 34	3,540 34	13 57	1,495.54	1,495 49	0 75	-138 37
8,572 00	90 66	88 85	7,260 47	3,539 47	15 00	1,558 52	1,558 49	0 63	130 91
8,668 00	89 96	88 25	7,259 95	3,538 95	17 43	1,654 49	1,654 48	0 96	-139.40
8,763 00	89 52	88 37	7,260 38	3,539.38	20 23	1,749 45	1,749 48	0 48	164 75
8,858.00	89 87	88 36	7,260 89	3,539 89	22 94	1,844 41	1,844 47	0 37	-1 64
8,921.00	89 52	88.10	7,261 22	3,540 22	24 89	1,907 38	1,907 47	0 69	-143 39
8,985 00	89 43	88 18	7,261 81	3,540 81	26 97	1,971 34	1,971 46	0 19	138 37
9,080 00	90 13	88 08	7,262 18	3,541 18	30 07	2,066 29	2,066 46	0 74	-8 13

WHS

Pathfinder Standard X & Y Report

Company: Yates Petroleum Corp.
Project: Eddy County
Site: S2 T16S R29E
Well: Big Miguel BKN State Com #1H
Wellbore: Original Hole
Design: Original Hole

Local Co-ordinate Reference: Well Big Miguel BKN State Com #1H
TVD Reference: EST RKB @ 3721 00ft
MD Reference: EST RKB @ 3721 00ft
North Reference: Grd
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	TFace (°)
9,175.00	89.78	87.95	7,262.25	3,541.25	33.36	2,161.23	2,161.45	0.39	-159.62
9,270.00	89.60	88.23	7,262.76	3,541.76	36.52	2,256.18	2,256.44	0.35	122.74
9,366.00	89.43	88.07	7,263.58	3,542.58	39.62	2,352.12	2,352.43	0.24	-136.74
9,461.00	89.25	88.22	7,264.67	3,543.67	42.70	2,447.07	2,447.42	0.25	140.20
9,556.00	89.08	88.42	7,266.06	3,545.06	45.48	2,542.01	2,542.41	0.28	130.37
9,652.00	89.60	88.19	7,267.16	3,546.16	48.32	2,637.97	2,638.40	0.59	-23.86
9,747.00	89.43	88.37	7,267.97	3,546.97	51.17	2,732.92	2,733.39	0.26	133.37
9,842.00	90.31	87.88	7,268.18	3,547.18	54.28	2,827.87	2,828.38	1.06	-29.11
9,937.00	90.57	87.95	7,267.45	3,546.45	57.74	2,922.80	2,923.37	0.28	15.07
10,033.00	90.57	87.85	7,266.50	3,545.50	61.25	3,018.73	3,019.35	0.10	-90.00
10,064.00	89.87	88.06	7,266.38	3,545.38	62.36	3,049.71	3,050.35	2.36	163.30
10,191.00	89.43	88.07	7,267.15	3,546.15	66.65	3,176.64	3,177.34	0.35	178.70
10,287.00	89.87	87.73	7,267.74	3,546.74	70.17	3,272.57	3,273.32	0.58	-37.69
10,382.00	89.87	87.96	7,267.96	3,546.96	73.74	3,367.50	3,368.31	0.24	90.00
10,477.00	88.99	88.50	7,268.90	3,547.90	76.67	3,462.45	3,463.30	1.09	148.47
10,509.00	87.85	88.74	7,269.78	3,548.78	77.44	3,494.43	3,495.29	3.64	168.12
10,572.00	88.20	88.59	7,271.95	3,550.95	78.91	3,557.38	3,558.25	0.60	-23.19
10,668.00	88.29	88.86	7,274.89	3,553.89	81.05	3,653.31	3,654.20	0.30	71.56
10,763.00	88.55	89.28	7,277.51	3,556.51	82.59	3,748.26	3,749.17	0.52	58.24
10,858.00	88.11	88.92	7,280.28	3,559.28	84.08	3,843.20	3,844.12	0.60	-140.73
10,953.00	88.02	88.79	7,283.49	3,562.49	85.98	3,938.13	3,939.07	0.17	-124.71
11,048.00	88.90	89.31	7,286.04	3,565.04	87.55	4,033.08	4,034.03	1.08	30.58
11,143.00	88.46	89.25	7,288.23	3,567.23	88.74	4,128.05	4,129.00	0.47	-172.24
11,206.00	89.16	89.56	7,289.54	3,568.54	89.40	4,191.03	4,191.99	1.22	23.89
11,270.00	89.78	89.32	7,290.13	3,569.13	90.02	4,255.03	4,255.98	1.04	-21.16
11,365.00	89.34	89.67	7,290.86	3,569.86	90.86	4,350.02	4,350.97	0.59	141.50
11,460.00	89.52	89.14	7,291.81	3,570.81	91.85	4,445.01	4,445.96	0.59	-71.24

WHS

Pathfinder Standard X & Y Report

Company: Yates Petroleum Corp
Project: Eddy County
Site: S2 T16S R29E
Well: Big Miguel BKN State Com #1H
Wellbore: Original Hole
Design: Original Hole

Local Co-ordinate Reference: Well Big Miguel BKN State Com #1H
TVD Reference: EST RKB @ 3721 00ft
MD Reference: EST RKB @ 3721 00ft
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM 2003 16 Single User Db

Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	TFace (°)
11,555.00	89.43	89.38	7,292.68	3,571.68	93.07	4,540.00	4,540.95	0.27	110.56
11,650.00	89.52	89.93	7,293.55	3,572.55	93.65	4,634.99	4,635.93	0.59	80.71
11,694.00	89.52	89.85	7,293.92	3,572.92	93.73	4,678.99	4,679.92	0.18	-90.00
11,770.00	89.52	89.85	7,294.55	3,573.55	93.93	4,754.99	4,755.91	0.00	0.00

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
BHL	0.00	0.00	7,295.00	101.95	4,764.91	707,581.435	631,964.396	32° 56' 41.290 N	104° 2' 16.470 W
- survey misses by 12.76ft at 11770.00ft MD (7294.55 TVD, 93.93 N, 4754.99 E)									
- Point									

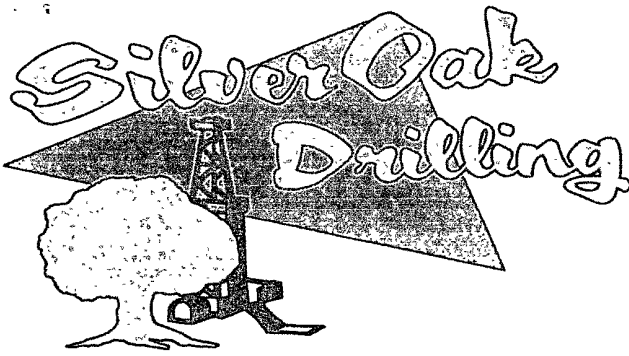
Survey Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
7,075.34	7,040.62	-20.39	145.00	Interp. HL Xing @ 7075.34' MD, 7040.62' TVD
7,075.34	7,040.62	-20.39	145.00	-20.39 Northing, 7075.34 Easting
11,770.00	7,294.55	93.93	4,754.99	Straight Line Projection to Bit @ 11770' MD

Checked By: _____ Approved By: _____ Date: _____

MD	INC	AZI	TVD	N	E
6700	1.5	83.41	6699.75	-18.77	0.96
6734	6.86	84.37	6733.65	-18.52	3.43
6766	11.52	86.69	6765.23	-18.15	8.52
6797	16.18	88.03	6795.32	-17.82	15.93
6829	20.4	90.11	6825.7	-17.68	25.97
6861	23.13	91.76	6855.42	-17.88	37.83
6892	25.68	91.69	6883.64	-18.27	50.63
6924	28.31	91.36	6912.15	-18.65	65.15
6956	30.34	90.7	6940.05	-18.93	80.82
6987	31.3	91.4	6966.67	-19.22	96.7
7019	32.98	91.72	6993.77	-19.69	113.72
7050	33.94	91.26	7019.63	-20.13	130.8
7082	34.29	90.68	7046.13	-20.44	148.75
7114	35.09	90	7072.44	-20.54	166.96
7146	36.67	88.89	7098.36	-20.36	185.71
7177	40.36	88.24	7122.62	-19.87	205.01
7209	44.76	88.37	7146.18	-19.23	226.64
7241	49.42	88.88	7167.96	-18.67	250.06
7272	54.34	88.5	7187.09	-18.11	274.43
7304	58.83	88.39	7204.71	-17.39	301.13
7336	63.66	89	7220.1	-16.75	329.17
7367	68.5	89.41	7232.67	-16.36	357.49
7399	73.16	89.32	7243.17	-16.03	387.71
7431	77.91	89.44	7251.16	-15.69	418.68
7462	82.92	89.38	7256.32	-15.38	449.24
7494	87.76	88.85	7258.92	-14.88	481.12
7526	89.96	88.61	7259.56	-14.17	513.1
7556	90.4	88.74	7259.46	-13.48	543.1
7652	89.52	88.11	7259.53	-10.84	639.06
7715	89.34	88.05	7260.16	-8.73	702.02
7779	88.99	87.44	7261.09	-6.21	765.96
7842	88.81	87.83	7262.3	-3.61	828.9
7906	88.29	88.02	7263.92	-1.3	892.83
8001	89.08	88.29	7266.1	1.76	987.76
8064	89.25	88.62	7267.02	3.46	1050.73
8160	90.13	88.67	7267.54	5.73	1146.7
8255	90.84	88.87	7266.73	7.77	1241.67
8318	90.75	88.98	7265.86	8.95	1304.66
8382	91.89	88.4	7264.38	10.41	1368.62
8477	91.1	88.71	7261.9	12.81	1463.56
8509	90.92	88.55	7261.34	13.57	1495.54
8572	90.66	88.85	7260.47	15	1558.52
8668	89.96	88.25	7259.95	17.43	1654.49
8763	89.52	88.37	7260.38	20.23	1749.45
8858	89.87	88.36	7260.89	22.94	1844.41
8921	89.52	88.1	7261.22	24.89	1907.38
8985	89.43	88.18	7261.81	26.97	1971.34
9080	90.13	88.08	7262.18	30.07	2066.29
9175	89.78	87.95	7262.25	33.36	2161.23
9270	89.6	88.23	7262.76	36.52	2256.18
9366	89.43	88.07	7263.58	39.62	2352.12

9461	89.25	88.22	7264.67	42.7	2447.07
9556	89.08	88.42	7266.06	45.48	2542.01
9652	89.6	88.19	7267.16	48.32	2637.97
9747	89.43	88.37	7267.97	51.17	2732.92
9842	90.31	87.88	7268.18	54.28	2827.87
9937	90.57	87.95	7267.45	57.74	2922.8
10033	90.57	87.85	7266.5	61.25	3018.73
10064	89.87	88.06	7266.38	62.36	3049.71
10191	89.43	88.07	7267.15	66.65	3176.64
10287	89.87	87.73	7267.74	70.17	3272.57
10382	89.87	87.96	7267.96	73.74	3367.5
10477	88.99	88.5	7268.9	76.67	3462.45
10509	87.85	88.74	7269.78	77.44	3494.43
10572	88.2	88.59	7271.95	78.91	3557.38
10668	88.29	88.86	7274.89	81.05	3653.31
10763	88.55	89.28	7277.51	82.59	3748.26
10858	88.11	88.92	7280.28	84.08	3843.2
10953	88.02	88.79	7283.49	85.98	3938.13
11048	88.9	89.31	7286.04	87.55	4033.08
11143	88.46	89.25	7288.23	88.74	4128.05
11206	89.16	89.56	7289.54	89.4	4191.03
11270	89.78	89.32	7290.13	90.02	4255.03
11365	89.34	89.67	7290.86	90.86	4350.02
11460	89.52	89.14	7291.81	91.85	4445.01
11555	89.43	89.38	7292.68	93.07	4540
11650	89.52	89.93	7293.55	93.65	4634.99
11694	89.52	89.85	7293.92	93.73	4678.99
11770	89.52	89.85	7294.55	93.93	4754.99



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

May 5, 2008

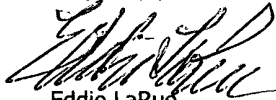
Yates Petroleum Corporation
105 S. 4th
Artesia, NM 88211-1395

RE: Big Miguel BKN St Com #1H
400' FSL & 200' FWL
Sec. 2, T16S, R29E
Eddy County, New Mexico

Dear Sir,

See the attached list for the Deviation Survey for the above captioned well.

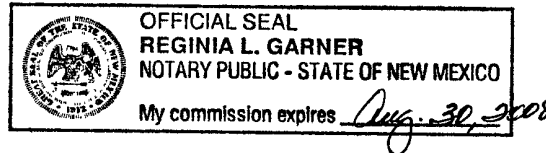
Very truly yours,


Eddie LaRue
Operations Manager

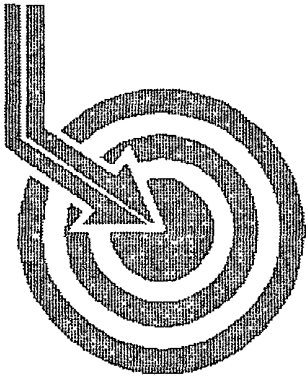
State of New Mexico }
County of Eddy }

The foregoing was acknowledged before me this 5th day of May, 2008.


Notary Public



Depth	Dev	Dir	TVD	Depth	Dev	Dir	TVD
264.00	1.50	0.00	0.00	8477.00	91.10	88.71	0.00
376.00	1.00	0.00	0.00	8509.00	90.92	88.55	0.00
574.00	1.00	0.00	0.00	8572.00	90.66	88.85	7260.11
874.00	1.25	0.00	0.00	8668.00	89.96	88.25	7259.92
1164.00	0.75	0.00	0.00	8763.00	89.52	88.37	7260.36
1704.00	0.75	0.00	0.00	8858.00	89.87	88.36	7060.08
2204.00	1.00	0.00	0.00	8921.00	89.52	88.10	7261.00
2678.00	1.00	0.00	0.00	8985.00	89.43	88.18	7261.00
2991.00	1.00	0.00	0.00	9080.00	90.13	88.08	0.00
3308.00	0.50	0.00	0.00	9175.00	89.17	87.95	7262.22
3596.00	1.00	0.00	0.00	9270.00	89.60	88.23	7262.74
4070.00	1.00	0.00	0.00	9366.00	89.43	88.07	7263.00
4544.00	1.50	0.00	0.00	9461.00	89.25	88.22	7264.00
4677.00	1.00	0.00	0.00	9556.00	89.08	88.42	0.00
4897.00	1.00	0.00	0.00	9652.00	89.60	88.19	7627.00
5149.00	0.50	0.00	0.00	9747.00	89.43	88.37	7267.94
5434.00	0.25	0.00	0.00	9842.00	90.31	87.88	7268.15
5911.00	0.25	0.00	0.00	9937.00	90.57	87.95	7267.00
6419.00	1.25	0.00	0.00	10033.00	90.57	87.85	7266.00
6608.00	2.00	0.00	0.00	10064.00	89.87	88.06	7266.00
6739.00	1.75	0.00	0.00	10191.00	89.43	88.07	7266.00
6859.00	2.00	0.00	0.00	10287.00	89.87	87.73	7267.16
7159.00	2.00	0.00	0.00	10382.00	89.87	87.96	7267.37
7666.00	11.52	86.69	0.00	10477.00	88.99	88.50	7268.00
7697.00	16.18	88.03	0.00	10519.00	87.85	88.74	7269.00
7829.00	20.40	90.11	0.00	10572.00	88.20	88.59	7271.37
7861.00	23.13	91.76	0.00	10638.00	88.29	88.86	7274.31
7892.00	25.68	91.69	0.00	10763.00	88.55	89.28	7276.93
7924.00	28.31	91.36	0.00	10858.00	88.11	88.92	7279.00
7956.00	30.34	90.70	0.00	10953.00	88.02	88.72	7282.90
7987.00	31.30	91.40	0.00	11048.00	88.90	89.31	7285.46
7019.00	32.98	91.72	0.00	11144.00	88.46	89.25	7287.00
7050.00	33.94	91.26	0.00	11206.00	89.16	89.56	7789.00
7082.00	34.29	90.68	7046.00	11270.00	89.78	89.32	0.00
7114.00	35.09	90.00	7072.41	11365.00	89.34	89.67	0.00
7146.00	36.67	88.89	7098.00	11460.00	89.52	89.14	7291.22
7177.00	40.36	88.24	0.00	11555.00	89.43	89.38	7292.02
7209.00	44.76	88.34	0.00	11650.00	89.52	89.93	7292.96
7241.00	49.42	88.88	0.00	11694.00	88.52	89.85	7292.00
7272.00	54.34	88.50	0.00				
7304.00	58.83	88.39	0.00				
7336.00	63.66	89.00	0.00				
7367.00	68.50	89.41	0.00				
7399.00	73.16	89.32	7243.14				
7431.00	77.91	89.44	7251.13				
7462.00	82.92	89.38	7256.29				
7494.00	87.76	88.85	0.00				
7526.00	89.96	88.61	0.00				
7556.00	90.40	88.74	7259.43				
7652.00	89.52	88.11	0.00				
7715.00	89.34	88.05	0.00				
7779.00	88.99	87.44	0.00				
7842.00	88.81	87.83	0.00				
7906.00	88.29	88.02	0.00				
8001.00	89.18	88.29	0.00				
8160.00	90.13	88.67	0.00				
8255.00	90.84	88.87	7266.00				
8318.00	90.75	88.98	0.00				
8382.00	91.89	88.40	0.00				



Scientific Drilling

YATES PETROLEUM

Field: Wildcat
Site: Eddy County, NM
Well: Big Miguel BKN State Com #1H
Wellpath: VH - Job #32K0408221
Survey: 04/03/08

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

.....Luwhart.....Company Representative

Notorized this date 1st of May, 2008.

Carrie Reed

Notary Signature
County of Midland
State of Texas





Scientific
Drilling

Scientific Drilling International

Survey Report

Company: YATES PETROLEUM	Date: 05/05/2008	Time: 08:38:05	Page: 1
Field: Wildcat	Co-ordinate(NE) Reference:	Site: Eddy County, NM, Grid North	
Site: Eddy County, NM	Vertical (TVD) Reference:	SITE: 0.0	
Well: Big Miguel BKN State Com #1H	Section (VS) Reference:	Well: (0.00N, 0.00E, 95.42Azi)	
Wellpath: VH - Job #32K0408221	Survey Calculation Method:	Minimum Curvature	Db: Sybase

Survey: 04/03/08	Start Date: 04/03/2008
Company: Scientific Drilling Internatio	Engineer: Madrid/Lanier w/GeoGyro
Tool: Keeper;Keeper Gyro	Tied-to: From Surface

Survey

MD ft	Incl deg	Azim deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
0.00	0.00	359.85	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.56	59.95	100.00	0.40	0.24	0.42	0.56	0.49	59.95
200.00	0.58	47.45	199.99	1.13	0.83	1.22	0.13	1.48	55.69
300.00	0.44	78.26	299.99	1.84	1.25	1.97	0.30	2.33	57.53
400.00	0.19	150.38	399.99	2.30	1.19	2.43	0.42	2.70	63.94
500.00	0.32	150.60	499.99	2.56	0.80	2.64	0.13	2.76	73.20
600.00	0.52	106.63	599.98	3.16	0.43	3.22	0.37	3.24	82.46
700.00	0.47	109.56	699.98	4.00	0.16	4.04	0.06	4.04	87.75
800.00	0.73	115.14	799.98	5.00	-0.25	5.00	0.27	5.01	92.86
900.00	0.71	107.37	899.97	6.21	-0.71	6.17	0.10	6.21	96.52
1000.00	0.56	120.66	999.96	7.26	-1.14	7.18	0.21	7.27	99.02
1100.00	0.58	113.30	1099.96	8.18	-1.59	8.07	0.08	8.22	101.14
1200.00	0.47	117.05	1199.95	9.04	-1.98	8.90	0.12	9.11	102.52
1300.00	0.55	119.40	1299.95	9.86	-2.40	9.68	0.08	9.97	103.91
1400.00	0.46	129.63	1399.94	10.63	-2.89	10.41	0.13	10.80	105.52
1500.00	0.51	123.60	1499.94	11.36	-3.39	11.09	0.07	11.59	107.01
1600.00	0.46	119.14	1599.94	12.12	-3.83	11.81	0.06	12.41	107.99
1700.00	0.35	107.29	1699.93	12.78	-4.12	12.45	0.14	13.11	108.31
1800.00	0.32	132.04	1799.93	13.31	-4.40	12.95	0.15	13.68	108.76
1900.00	0.16	109.46	1899.93	13.67	-4.63	13.29	0.18	14.07	109.21
2000.00	0.29	155.58	1999.93	13.93	-4.91	13.52	0.21	14.39	109.95
2100.00	0.25	153.78	2099.93	14.17	-5.33	13.73	0.04	14.73	111.24
2200.00	0.10	110.36	2199.93	14.37	-5.56	13.90	0.19	14.97	111.80
2300.00	0.24	136.45	2299.93	14.61	-5.74	14.13	0.16	15.25	112.12
2400.00	0.16	298.24	2399.93	14.64	-5.83	14.15	0.40	15.30	112.38
2500.00	0.30	285.82	2499.93	14.25	-5.69	13.78	0.15	14.91	112.44
2600.00	0.58	255.50	2599.93	13.52	-5.75	13.03	0.35	14.24	113.79
2700.00	0.52	288.74	2699.92	12.60	-5.73	12.11	0.32	13.40	115.30
2800.00	0.50	272.53	2799.92	11.72	-5.56	11.25	0.15	12.55	116.31
2900.00	0.40	279.48	2899.91	10.94	-5.49	10.47	0.11	11.82	117.65
3000.00	0.41	272.22	2999.91	10.23	-5.41	9.77	0.05	11.17	119.00
3100.00	0.30	220.13	3099.91	9.73	-5.60	9.24	0.33	10.81	121.22
3200.00	0.28	208.85	3199.91	9.48	-6.01	8.95	0.06	10.79	123.89
3300.00	0.25	231.24	3299.91	9.23	-6.36	8.67	0.11	10.75	126.30
3400.00	0.29	221.12	3399.91	8.92	-6.69	8.33	0.06	10.68	128.78
3500.00	0.37	226.17	3499.91	8.57	-7.11	7.93	0.09	10.65	131.86
3600.00	0.52	229.69	3599.90	8.04	-7.62	7.35	0.15	10.59	136.04
3700.00	0.44	223.85	3699.90	7.48	-8.19	6.74	0.09	10.61	140.56
3800.00	0.48	233.58	3799.90	6.93	-8.72	6.14	0.09	10.66	144.87
3900.00	0.61	230.14	3899.89	6.25	-9.31	5.39	0.13	10.76	149.93
4000.00	0.66	217.74	3999.88	5.56	-10.11	4.63	0.15	11.12	155.39
4100.00	0.53	226.26	4099.88	4.95	-10.88	3.94	0.16	11.57	160.08
4200.00	0.46	229.62	4199.88	4.37	-11.46	3.30	0.08	11.93	163.93
4300.00	0.53	237.26	4299.87	3.73	-11.97	2.61	0.10	12.25	167.71
4400.00	0.45	239.40	4399.87	3.05	-12.42	1.88	0.08	12.56	171.39
4500.00	0.47	229.89	4499.86	2.44	-12.89	1.23	0.08	12.94	174.55
4600.00	0.38	232.45	4599.86	1.91	-13.35	0.65	0.09	13.37	177.20
4700.00	0.34	245.37	4699.86	1.41	-13.68	0.12	0.09	13.68	179.50
4800.00	0.34	243.58	4799.86	0.90	-13.93	-0.42	0.01	13.94	181.71



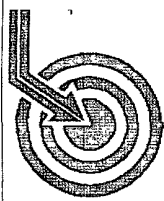
Scientific Drilling International

Survey Report

Company: YATES PETROLEUM	Date: 05/05/2008	Time: 08:38:05	Page: 2
Field: Wildcat	Co-ordinate(NE) Reference:	Site: Eddy County, NM, Grid North	
Site: Eddy County, NM	Vertical (TVD) Reference:	SITE 0.0	
Well: Big Miguel BKN State Com #1H	Section (VS) Reference:	Well (0.00N,0.00E,95.42Azi)	
Wellpath: VH - Job #32K0408221	Survey Calculation Method:	Minimum Curvature	Db: Sybase

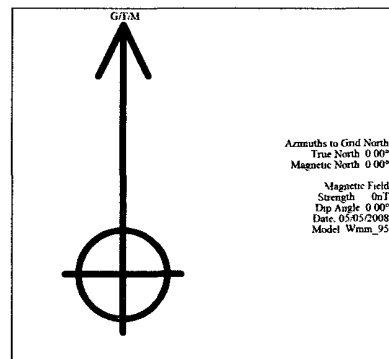
Survey

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	0.46	235.72	4899.86	0.34	-14.29	-1.01	0.13	14.33	184.05
5000.00	0.43	235.43	4999.85	-0.25	-14.73	-1.65	0.03	14.82	186.41
5100.00	0.51	233.53	5099.85	-0.87	-15.21	-2.32	0.08	15.38	188.68
5200.00	0.52	246.00	5199.85	-1.60	-15.66	-3.09	0.11	15.96	191.17
5300.00	0.50	257.48	5299.84	-2.41	-15.94	-3.93	0.10	16.41	193.87
5400.00	0.42	247.35	5399.84	-3.15	-16.17	-4.70	0.11	16.84	196.20
5500.00	0.41	244.67	5499.84	-3.78	-16.47	-5.36	0.02	17.32	198.03
5600.00	0.34	241.00	5599.83	-4.33	-16.76	-5.94	0.07	17.78	199.52
5700.00	0.22	241.26	5699.83	-4.74	-17.00	-6.37	0.12	18.15	200.54
5800.00	0.20	240.02	5799.83	-5.04	-17.18	-6.69	0.02	18.44	201.28
5900.00	0.59	241.96	5899.83	-5.61	-17.51	-7.30	0.39	18.97	202.62
6000.00	0.13	193.60	5999.83	-6.05	-17.86	-7.78	0.51	19.48	203.53
6100.00	0.61	135.21	6099.82	-5.66	-18.35	-7.43	0.55	19.79	202.04
6200.00	0.43	107.28	6199.82	-4.89	-18.84	-6.69	0.31	19.99	199.56
6300.00	0.71	104.16	6299.82	-3.91	-19.10	-5.74	0.28	19.94	196.71
6400.00	0.69	83.11	6399.81	-2.71	-19.18	-4.54	0.26	19.71	193.31
6500.00	0.81	91.28	6499.80	-1.41	-19.12	-3.23	0.16	19.39	189.59
6600.00	1.26	84.34	6599.78	0.37	-19.03	-1.43	0.47	19.08	184.30
6700.00	1.50	83.41	6699.75	2.73	-18.77	0.96	0.24	18.80	177.06
6800.00	1.62	86.57	6799.72	5.41	-18.54	3.67	0.15	18.90	168.79
6900.00	1.63	85.38	6899.68	8.21	-18.34	6.50	0.04	19.46	160.48
7000.00	1.69	82.31	6999.64	11.04	-18.03	9.38	0.11	20.32	152.51
7100.00	1.56	81.63	7099.59	13.80	-17.63	12.19	0.13	21.43	145.34
7200.00	1.59	76.48	7199.56	16.43	-17.11	14.88	0.14	22.68	138.98
7300.00	1.61	75.16	7299.52	19.06	-16.42	17.59	0.04	24.07	133.03
7356.00	1.54	73.94	7355.50	20.50	-16.01	19.08	0.14	24.91	130.01

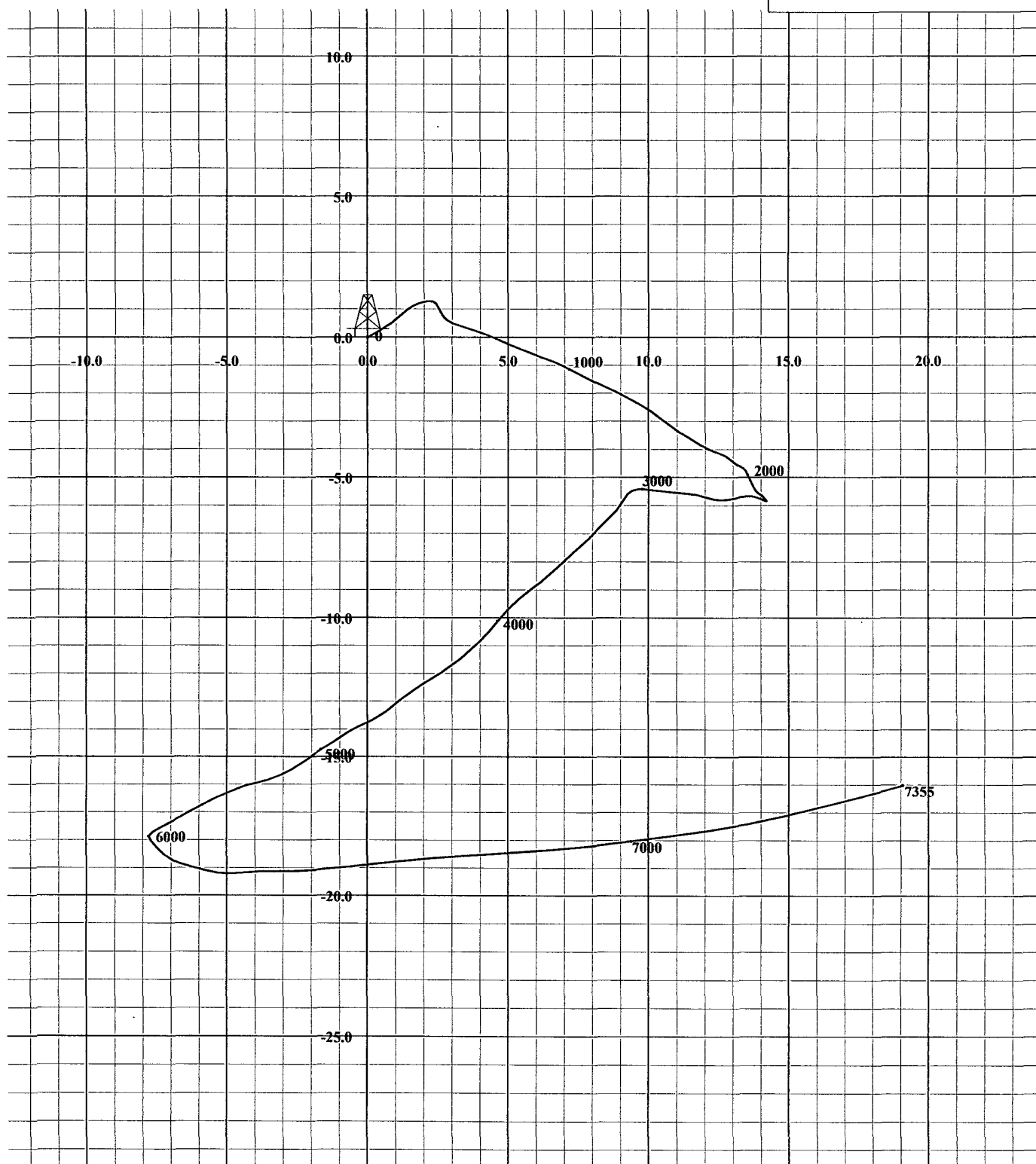


Scientific
Drilling

Field: Wildcat
Site: Eddy County, NM
Well: Big Miguel BKN State Com #1H
Wellpath: VH - Job #32K0408221
Survey: 04/03/08



South(-)/North(+) [5ft/in]



West(-)/East(+) [5ft/in]