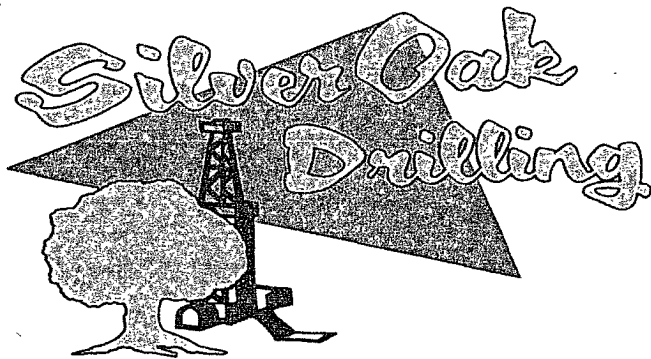




PO Box 1370
Artesia, NM 88211-1370
(505) 748-1288

August 26, 2009

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

RE: Balsam BNL Fed Com #1H
960' FNL & 30' FEL
Sec. 8, T24S, R29E
Eddy County, New Mexico

Dear Sir,

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

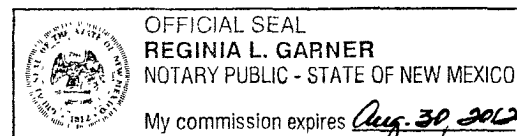
Very truly yours,


Eddie LaRue
Operations Manager

State of New Mexico }
County of Eddy }

The foregoing was acknowledged before me this 26th day of August, 2009.


Notary Public



Pason DataHub Deviation Survey 2009/08/17 11:35:15
 # Well Dossier 1246150022 - BALSAM BNL FED COM #1H
 #

# Date	Depth	Deviation	Direction	TVD	Horiz Disp
6/28/2009	231.00	0.50	-	-	-
6/28/2009	470.00	0.50	-	-	-
6/29/2009	590.00	1.00	-	-	-
6/30/2009	681.00	0.80	330.10	-	-
6/30/2009	776.00	0.40	322.70	-	-
6/30/2009	871.00	0.90	345.30	-	-
6/30/2009	966.00	0.20	62.50	-	-
7/1/2009	1,060.00	0.10	18.20	-	-
7/1/2009	1,155.00	0.10	253.90	-	-
7/1/2009	1,250.00	0.90	254.70	-	-
7/1/2009	1,345.00	0.30	324.50	-	-
7/1/2009	1,440.00	0.40	287.70	-	-
7/1/2009	1,535.00	0.30	308.40	-	-
7/1/2009	1,725.00	0.60	271.10	-	-
7/1/2009	1,820.00	0.60	246.50	-	-
7/1/2009	1,915.00	1.10	271.30	-	-
7/2/2009	2,105.00	0.30	176.90	-	-
7/2/2009	2,200.00	0.40	145.60	-	-
7/2/2009	2,390.00	1.00	118.70	-	-
7/2/2009	2,485.00	2.20	106.80	-	-
7/2/2009	2,580.00	2.40	118.10	-	-
7/2/2009	2,643.00	2.50	126.90	-	-
7/2/2009	2,765.00	1.20	128.20	-	-
7/4/2009	2,998.00	0.70	117.10	-	-
7/4/2009	3,219.80	0.80	118.80	-	-
7/5/2009	3,408.00	1.00	125.90	-	-
7/5/2009	3,597.00	0.70	103.20	-	-
7/5/2009	3,787.00	0.60	82.10	-	-
7/5/2009	3,977.00	0.30	42.30	-	-
7/5/2009	4,200.00	0.30	94.70	-	-
7/5/2009	4,422.00	0.50	353.50	-	-
7/5/2009	4,643.00	0.10	-	-	-
7/5/2009	4,865.00	0.30	71.60	-	-
7/5/2009	5,086.00	0.40	225.00	-	-
7/5/2009	5,308.00	0.60	224.10	-	-
7/6/2009	5,528.00	0.60	233.60	-	-
7/6/2009	5,750.00	0.70	224.60	-	-
7/6/2009	5,973.00	0.80	191.40	-	-
7/6/2009	6,194.00	1.10	84.20	-	-
7/6/2009	6,416.00	1.50	198.70	-	-
7/7/2009	6,636.00	0.80	199.80	-	-
7/7/2009	6,826.00	1.80	25.30	-	-
7/7/2009	7,016.00	1.20	309.40	-	-
7/8/2009	7,206.00	0.40	216.30	-	-
7/8/2009	7,397.00	1.50	259.10	-	-
7/8/2009	7,587.00	1.10	266.40	-	-
7/9/2009	602.00	0.90	88.70	-	-
7/9/2009	388.00	0.50	310.30	-	-
7/9/2009	202.00	0.30	65.60	-	-
7/12/2009	6,819.00	1.20	33.50	-	-

#	Date	Depth	Deviation	Direction	TVD	Horiz Disp
	7/12/2009	6,883.00	1.20	13.20	-	-
	7/13/2009	6,914.00	1.10	358.30	-	-
	7/13/2009	6,946.00	3.00	294.40	-	-
	7/13/2009	6,978.00	8.10	28.30	-	-
	7/13/2009	7,041.00	16.30	276.50	7,038.00	-
	7/13/2009	7,073.00	19.30	274.10	7,069.00	-
	7/14/2009	7,104.00	21.90	273.90	7,098.00	-
	7/14/2009	7,136.00	24.20	272.50	7,127.00	-
	7/14/2009	7,168.00	26.60	271.80	7,156.00	-
	7/14/2009	7,199.00	28.90	271.70	7,183.00	61.80
	7/14/2009	7,231.00	30.90	271.10	7,211.00	77.70
	7/14/2009	7,263.00	33.00	270.80	7,238.00	94.60
	7/14/2009	7,294.00	35.00	270.80	7,264.00	112.00
	7/14/2009	7,326.00	36.00	269.10	7,290.00	130.00
	7/14/2009	7,358.00	36.70	269.20	7,316.00	149.00
	7/15/2009	7,389.00	38.70	268.80	7,340.00	168.52
	7/15/2009	7,421.00	41.80	269.20	7,365.00	189.00
	7/15/2009	7,453.00	44.70	269.20	7,388.00	211.00
	7/15/2009	7,484.00	46.10	268.40	7,410.00	233.00
	7/15/2009	7,516.00	46.80	267.80	7,432.00	256.00
	7/15/2009	7,548.00	48.40	269.20	7,453.00	279.00
	7/15/2009	7,579.00	50.40	269.60	7,474.00	303.00
	7/15/2009	7,611.00	52.70	271.50	7,494.00	328.00
	7/16/2009	7,643.00	55.00	272.10	7,512.00	354.39
	7/16/2009	7,674.00	56.90	271.90	7,530.00	380.06
	7/16/2009	7,706.00	58.50	271.80	7,547.00	407.00
	7/16/2009	7,738.00	61.10	271.50	7,563.00	434.70
	7/16/2009	7,769.00	63.70	272.80	7,577.00	462.00
	7/16/2009	7,801.00	66.50	274.70	7,591.00	491.00
	7/16/2009	7,833.00	68.60	274.50	7,603.00	520.00
	7/17/2009	7,871.00	70.80	272.90	7,616.00	556.20
	7/17/2009	7,902.00	74.20	273.60	7,626.00	585.70
	7/18/2009	7,966.00	78.00	272.90	7,640.00	648.00
	7/18/2009	7,997.00	79.30	271.70	7,646.90	678.27
	7/19/2009	8,029.00	81.00	270.70	7,652.00	709.00
	7/19/2009	8,061.00	84.00	271.70	7,656.00	741.50
	7/19/2009	8,092.00	86.90	721.30	7,659.00	772.00
	7/19/2009	8,124.00	87.30	271.10	7,660.60	804.35
	7/19/2009	8,156.00	88.80	270.40	7,661.00	836.00
	7/20/2009	8,187.00	89.10	269.20	7,662.00	867.00
	7/20/2009	8,219.00	87.70	268.10	7,663.00	899.00
	7/20/2009	8,251.00	87.50	267.80	7,664.00	931.00
	7/20/2009	8,282.00	89.10	267.70	76.65	962.00
	7/21/2009	8,276.00	89.40	270.00	7,665.00	962.00
	7/21/2009	8,308.00	89.50	268.90	7,665.00	993.00
	7/21/2009	8,340.00	89.70	269.20	7,666.00	1,020.00
	7/21/2009	8,371.00	90.60	270.00	7,665.00	1,051.00
	7/21/2009	8,434.00	91.00	270.00	7,664.00	1,114.00
	7/21/2009	8,406.00	93.00	270.60	7,663.00	1,146.00
	7/21/2009	8,529.00	93.20	271.40	766.00	1,209.00
	7/21/2009	8,597.00	93.20	270.30	7,652.00	1,177.00
	7/21/2009	8,561.00	93.10	271.80	7,658.00	1,240.00
	7/21/2009	8,592.00	92.80	272.10	7,657.00	1,271.00

#	Date	Depth	Deviation	Direction	TVD	Horiz Disp
7/21/2009	8,624.00	91.70	271.40	7,655.00	1,303.00	
7/22/2009	8,751.00	89.70	271.20	7,655.00	1,430.00	
7/22/2009	8,783.00	898.80	271.40	7,655.00	1,462.00	
7/22/2009	8,814.00	89.60	271.40	7,655.00	1,493.00	
7/22/2009	8,846.00	89.70	272.60	7,655.00	1,525.00	
7/22/2009	8,878.00	89.40	272.50	7,655.00	1,557.00	
7/22/2009	8,909.00	88.70	271.40	7,656.00	1,588.70	
7/22/2009	8,941.00	89.00	273.00	7,657.00	1,620.80	
7/22/2009	8,973.00	88.30	272.30	7,657.00	1,652.00	
7/22/2009	9,004.00	88.30	271.50	7,661.10	1,768.60	
7/23/2009	9,067.00	88.30	272.70	7,660.00	1,746.60	
7/23/2009	9,099.00	88.10	273.20	7,661.00	1,778.50	
7/23/2009	9,131.00	87.60	273.00	7,662.00	1,810.00	
7/23/2009	9,163.00	87.20	272.50	7,664.00	1,842.00	
7/23/2009	9,194.00	85.70	272.50	7,671.00	1,958.00	
7/23/2009	9,258.00	86.10	272.10	7,669.00	1,937.00	
7/23/2009	9,354.00	86.70	272.10	7,675.00	2,032.00	
7/23/2009	9,289.00	86.00	269.20	7,671.00	1,968.00	
7/23/2009	9,354.00	86.70	272.10	7,675.00	2,032.00	
7/23/2009	9,385.00	87.40	272.60	7,667.00	2,063.00	
7/23/2009	9,321.00	86.60	272.50	7,673.00	2,000.00	
7/23/2009	9,416.00	87.50	277.50	7,678.70	2,179.80	
7/23/2009	9,448.00	87.90	271.80	7,680.00	2,126.00	
7/23/2009	9,479.00	88.20	271.80	7,681.00	2,157.80	
7/23/2009	9,511.00	89.00	272.20	7,681.00	2,189.00	
7/24/2009	9,543.00	90.30	272.90	7,682.00	2,221.70	
7/24/2009	9,575.00	91.20	272.90	7,681.00	2,253.90	
7/24/2009	9,606.00	91.40	272.50	7,680.00	2,284.00	
7/25/2009	9,675.00	93.20	271.40	7,677.90	2,353.00	
7/25/2009	9,707.00	93.40	271.40	7,676.00	2,385.00	
7/25/2009	9,739.00	93.00	271.00	7,674.00	2,417.00	
7/26/2009	9,802.00	92.06	270.70	7,671.00	2,480.00	
7/26/2009	9,833.00	93.10	270.60	7,669.80	2,511.30	
7/26/2009	9,865.00	93.30	270.60	7,668.00	2,543.20	
7/26/2009	9,897.00	93.00	269.40	7,666.00	2,575.00	
7/26/2009	9,928.00	92.40	269.10	7,664.00	2,606.00	
7/26/2009	9,960.00	92.00	268.50	7,663.00	2,638.00	
7/26/2009	9,992.00	91.70	268.50	7,662.00	2,670.00	
7/26/2009	10,023.00	91.20	267.80	7,661.80	2,701.10	
7/26/2009	10,055.00	91.20	268.30	7,661.00	2,733.00	
7/26/2009	10,086.00	91.20	268.10	7,660.00	2,764.00	
7/27/2009	10,150.00	90.40	267.58	7,659.00	2,828.00	
7/27/2009	10,181.00	90.20	257.80	7,659.00	2,858.00	
7/27/2009	10,213.00	89.70	267.50	7,651.00	2,890.00	
7/27/2009	10,245.00	89.30	267.50	7,660.00	2,922.00	
7/27/2009	10,308.00	89.20	267.20	7,660.00	2,985.00	
7/27/2009	10,340.00	89.00	267.20	7,660.00	3,017.00	
7/27/2009	10,371.00	89.10	267.40	7,661.00	3,048.00	
7/27/2009	10,435.00	89.70	267.70	7,661.80	3,112.60	
7/27/2009	10,466.00	89.80	267.80	7,662.00	3,143.60	
7/27/2009	10,498.00	89.90	268.50	7,662.10	3,175.60	
7/28/2009	10,561.00	90.10	269.20	7,662.00	3,238.00	
7/28/2009	10,593.00	89.70	268.50	7,662.00	3,270.50	

#	Date	Depth	Deviation	Direction	TVD	Horiz Disp
	7/28/2009	10,624.00	89.60	268.60	7,662.00	3,301.50
	7/28/2009	10,656.00	89.50	269.20	7,662.60	3,333.00
	7/28/2009	10,688.00	89.00	268.60	7,663.00	3,365.40
	7/28/2009	10,751.00	89.00	269.70	7,664.00	3,428.00
	7/28/2009	10,783.00	88.80	269.60	7,664.00	3,460.00
	7/28/2009	10,814.00	88.80	270.00	7,665.00	3,491.00
	7/28/2009	10,846.00	88.50	269.70	7,666.30	3,523.40
	7/28/2009	10,878.00	88.40	270.40	7,667.20	3,555.40
	7/28/2009	10,910.00	87.90	270.10	7,668.20	3,587.40
	7/29/2009	10,973.00	87.60	271.11	7,670.00	3,650.00
	7/29/2009	11,068.00	87.60	270.80	7,674.00	3,745.00

EOF