Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO 1004-0137
Expires. July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well [ ] Oil Well [X] Gas Well [ ] Dry [ ] Other

b Type of Completion [X] New Well [ ] Work Over [ ] Deepen [ ] Plug Back [ ] Diff Resvr.

Other: _____

5 Lease Serial No: NM-022534-A

6 If Indian, Allottee or Tribe Name:

2 Name of Operator: Yates Petroleum Corporation

7. Unit or CA Agreement Name and No:

3 Address: 105 S. 4th Str., Artesia, NM 88210

3a Phone No (*include area code*): 575-748-1471

8 Lease Name and Well No: Quandry BJQ Federal Com #1

4 Location of Well (*Report location clearly and in accordance with Federal requirements)**

At Surface: 426'FNL & 1721'FWL (Unit C, NENW)

JUN 02 2008

At top prod Interval reported below: 699'FSL & 764'FWL (Unit M, SWSW)

OCD-ARTESIA

BHL: 699'FSL & 764'FWL (Unit M, SWSW)

9 API Well No: 30-015-35848

10 Field and Pool or Exploratory: Indian Basin; Strawn

11 Sec., T.,R.,M., on Block and Survey or Area: Section 10-T21S-R24E Surface; Section 3-T21S-R24E BHL

12 County or Pansh: Eddy

13 State: New Mexico

14. Date Spudded	15. Date T.D.Reached	16 Date Completed	17. Elevations (DF,RKB,RT,GL)*
RH 11/17/07 RT 12/26/07	1/29/08	[ ] D & A [X] Ready to Prod. 4/12/08	3830'GL 3852'KB

18 Total Depth	19. Plug Back T.D.	20. Depth Bridge Plug Set:
MD 10,500'	MD 9992'	MD 10,454' & 9992'
TVD NA	TVD NA	TVD NA

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

CNL, Hi-Res Laterolog Array, CBL

22 Was Well cored? [X] No [ ] Yes (Submit analysis)
Was DST run? [X] No [ ] Yes (Submit report)
Directional Survey? [ ] No [X] Yes (Submit copy)

23. Casing and Liner Record (*Report all strings set in well*)

Hole Size	Size/Grade	Wt.(#/ft.)	Top (MD)	Bottm(MD)	State Cementer Depth	No of Sks & Type of Cement	Slurry Vol (BBL)	Cement Top*	Amount Pulled
	20"	Cond.	Surface	40'		Redi-mix		Surface	
17-1/2"	13-3/8"	48#	Surface	425'		365 sx		Surface	
12-1/4"	9-5/8"	36#	Surface	3620'		1300 sx		Surface	
8-3/4"	5-1/2"	17#	Surface	10,500'		1610 sx		3000' est.	

24 Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8"	9220'	9220'						

25 Producing Intervals / 26 Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf Status
A) Strawn	9420'	9432'	10,188'-10,202'		90	Sqzd & reperforated
B)			10,230'-10,240'		66	Sqzd & reperforated
C)			10,042'-10,060'		114	Under CIBP
D)			9420'-9432'		78	Producing

27 Acid, Fracture, Treatment, Cement Squeeze, Etc

Depth Interval	Amount and Type of Material
10,188'-10,240'	Acidized w/1500g 7-1/2% IC HCL acid w/160 BS, 1000 SCF/PB N2 then squeezed w/178 sx cement
10,042'-10,060'	Acidize w/1500g 7-1/2% IC HCL w/115 BS
9420'-9432'	Acidized w/1000g 7-1/2% HCL acid w/85 BS, Frac w/a CO_2 foam frac, 282 bbls fluid, 114 tons CO_2, 29,615# 18/40 Versaaprop

28 Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
4/13/08	5/11/08	24	→	1	508	0	NA	NA	Flowing

Choke Size	Tbg. Press. Flwg	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status
10/64"	580 psi	Packer	→	1	508	0	NA	Producing

28a Production-Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
			→						

Choke Size	Tbg Press Flwg.	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status
			→					

*(See instructions and spaces for additional data on page 2)

28b Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method

Choke Size	Tbg. Press Flwg	Csg Press	24 Hr Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status

28c Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method

Choke Size	Tbg Press Flwg	Csg. Press	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status

29. Disposition of Gas *(Sold, used for fuel, vented, etc.)*

Sold

30. Summary of Porous Zones (Include Aquifers)

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries

31. Formation (Log) Markers

Formation	Top	Bottom	Description, Contents, etc	Name	Top Meas Depth
				San Andres	1058'
				Bone Spring	3570'
				Wolfcamp	7202'
				Cisco/Canyon	8200'
				Strawn	9230'
				Atoka	9568'
				Morrow	9970'

32. Additional remarks (include plugging procedure).

33 Indicate which items have been attached by placing a check in the appropriate boxes

[X] Electrical/Mechanical Logs (1 full set req'd) [ ] Geologic Report [ ] DST Report [X] Directional Survey

[ ] Sundry Notice for plugging and cement verification [ ] Core Analysis [X] Other Deviation Survey

34 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name(*please print*) Tina Huerta Title Regulatory Compliance Supervisor

Signature Tina Huerta Date May 28, 2008

Title 18 U S C Section 1001 and Title 43 U.S C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Continued on page 3)

OPERATOR YATES PETROLEUM CORP. 078-0056
WELL/LEASE QUANDRY BJQ FED. COM. 1
COUNTY EDDY

STATE OF NEW MEXICO
DEVIATION REPORT

196	1.00
373	1.00
443	0.75
710	0.50
920	0.75
1,216	1.00
1,494	0.75
1,845	0.75
2,131	1.00
2,508	1.00
3,087	1.00
3,471	1.00

JUN 02 2008
OCD-ARTESIA

BY: _____

STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on February 8, 2008, by Steve Moore on behalf of Patterson-UTI Drilling Company LLC.

_____
Notary Public for Midland County, Texas
My Commission Expires: 4/11/11

JONI D. HODGES
Notary Public
STATE OF TEXAS
My Commission
Expires 04/11/2011

Scientific Drilling

JUN 02 2008
OCD-ARTESIA

YATES PETROLEUM

Field: Undesignated
Site: Eddy County, NM
Well: Quandry BJQ Federal Com #1
Wellpath: VH - Job #32K0108018
Survey: 01/06/08

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

.....Company Representative

Notorized this date 13th of February, 2008.

Notary Signature
County of Midland
State of Texas

DEBORAH SUE BYNUM
Notary Public, State of Texas
My Commission Expires
5/9/06

Scientific Drilling

Scientific Drilling International
Survey Report

Company:	YATES PETROLEUM	**Date:** 02/11/2008	**Time:** 11:02:02	**Page:**	1
Field:	Undesignated	**Co-ordinate(NE) Reference:**	Site: Eddy County, NM, Grid North		
Site:	Eddy County, NM	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	Quandry BJQ Federal Com #1	**Section (VS) Reference:**	Well (0.00N,0.00E,319.22Azi)		
Wellpath:	VH - Job #32K0108018	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

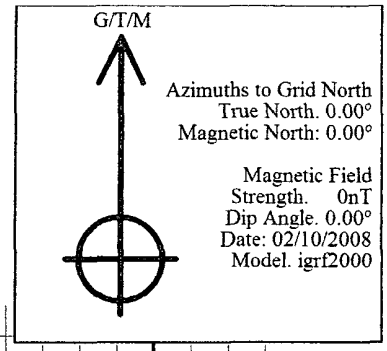
Survey:	01/06/08 KSRG 0'-3620'	**Start Date:**	01/06/2008
Company:	Scientific Drilling Internatio	**Engineer:**	Guebara w/GeoGyro
Tool:	Keeper;Keeper Gyro	**Tied-to:**	From Surface

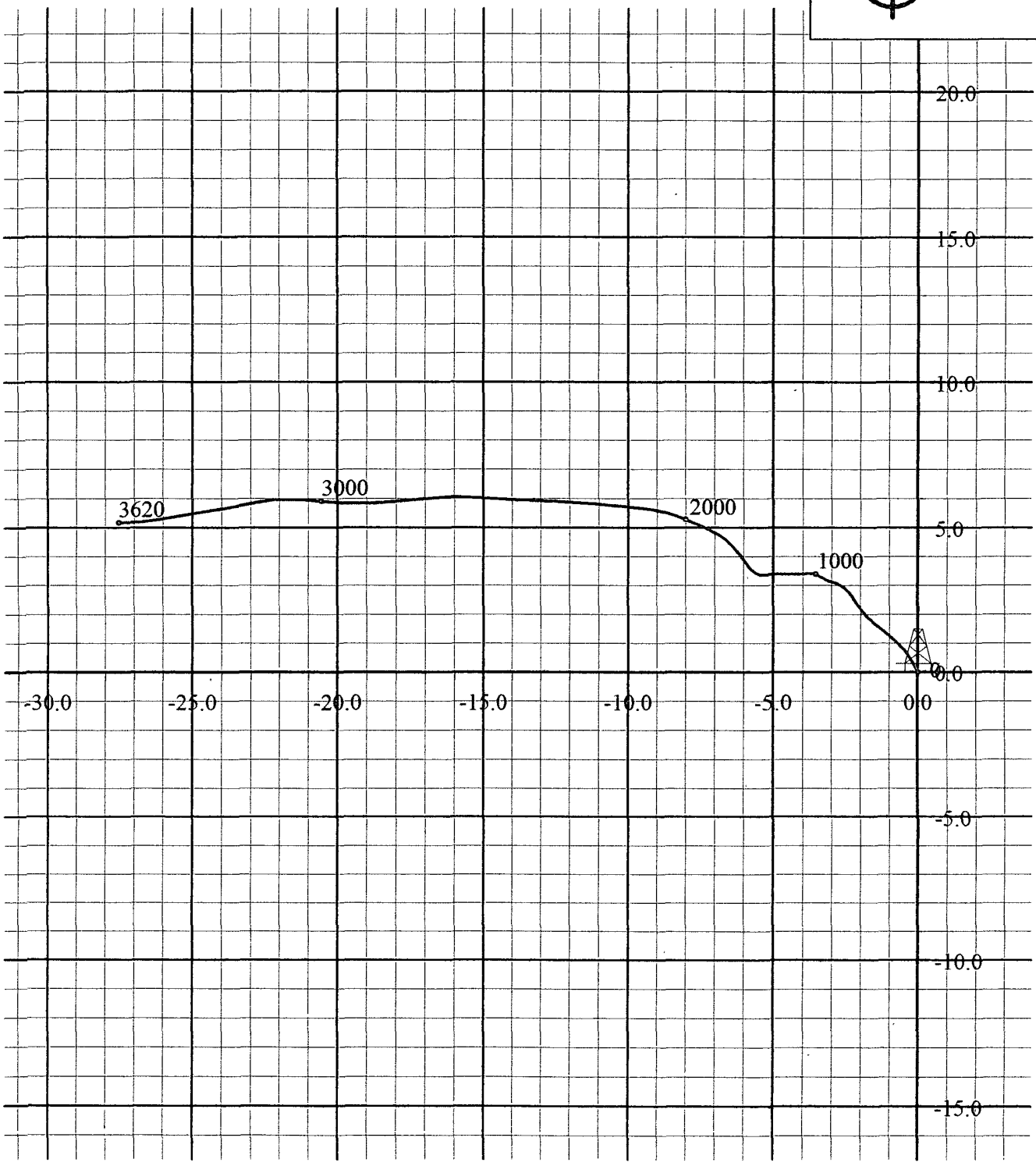
Survey

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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.52	331.11	100.00	0.44	0.40	-0.22	0.52	0.45	331.11
200.00	0.53	310.43	199.99	1.35	1.09	-0.79	0.19	1.35	324.16
300.00	0.52	308.91	299.99	2.25	1.68	-1.50	0.02	2.25	318.31
400.00	0.27	326.25	399.99	2.93	2.16	-1.98	0.27	2.93	317.50
500.00	0.39	324.95	499.99	3.50	2.63	-2.31	0.12	3.50	318.81
600.00	0.23	297.39	599.98	4.03	3.01	-2.68	0.21	4.03	318.28
700.00	0.09	289.36	699.98	4.28	3.12	-2.93	0.14	4.28	316.82
800.00	0.16	282.30	799.98	4.46	3.18	-3.14	0.07	4.47	315.34
900.00	0.13	318.97	899.98	4.69	3.30	-3.35	0.10	4.70	314.50
1000.00	0.16	281.31	999.98	4.91	3.41	-3.56	0.10	4.93	313.71
1100.00	0.46	266.42	1099.98	5.26	3.41	-4.10	0.31	5.34	309.74
1200.00	0.39	272.00	1199.98	5.74	3.40	-4.84	0.08	5.92	305.05
1300.00	0.13	252.32	1299.98	6.01	3.37	-5.29	0.27	6.28	302.53
1400.00	0.26	298.31	1399.98	6.27	3.45	-5.60	0.19	6.58	301.63
1500.00	0.20	333.86	1499.98	6.65	3.71	-5.88	0.15	6.95	302.28
1600.00	0.31	317.82	1599.98	7.09	4.07	-6.13	0.13	7.36	303.56
1700.00	0.25	321.79	1699.97	7.58	4.44	-6.45	0.06	7.83	304.55
1800.00	0.37	300.41	1799.97	8.10	4.78	-6.86	0.16	8.36	304.83
1900.00	0.34	291.44	1899.97	8.67	5.05	-7.42	0.06	8.97	304.23
2000.00	0.41	294.49	1999.97	9.26	5.30	-8.02	0.07	9.62	303.48
2100.00	0.48	284.43	2099.97	9.92	5.56	-8.75	0.10	10.37	302.42
2200.00	0.77	275.15	2199.96	10.75	5.72	-9.83	0.31	11.37	300.21
2300.00	0.72	275.36	2299.95	11.69	5.84	-11.12	0.05	12.56	297.71
2400.00	0.80	272.11	2399.94	12.62	5.93	-12.44	0.09	13.78	295.46
2500.00	0.86	271.87	2499.93	13.60	5.98	-13.89	0.06	15.12	293.27
2600.00	0.86	274.68	2599.92	14.64	6.06	-15.39	0.04	16.54	291.50
2700.00	0.86	262.06	2699.91	15.58	6.02	-16.88	0.19	17.92	289.62
2800.00	0.90	267.62	2799.90	16.48	5.88	-18.41	0.09	19.33	287.72
2900.00	0.49	271.65	2899.89	17.26	5.86	-19.62	0.41	20.48	286.64
3000.00	0.59	275.43	2999.89	17.92	5.92	-20.56	0.11	21.40	286.07
3100.00	0.69	271.60	3099.88	18.69	5.99	-21.68	0.11	22.49	285.45
3200.00	0.61	257.07	3199.87	19.35	5.89	-22.80	0.18	23.54	284.48
3300.00	0.66	261.69	3299.87	19.91	5.68	-23.89	0.07	24.55	283.39
3400.00	0.62	259.86	3399.86	20.49	5.51	-24.99	0.04	25.59	282.43
3500.00	0.68	259.28	3499.85	21.06	5.30	-26.10	0.06	26.64	281.48
3600.00	0.70	269.37	3599.85	21.75	5.18	-27.30	0.12	27.79	280.75
3620.00	0.76	271.84	3619.85	21.92	5.19	-27.55	0.34	28.04	280.66

Scientific Drilling

Field: Undesignated
Site: Eddy County, NM
Well: Quandry BJQ Federal Com #1
Wellpath: VH - Job #32K0108018
Survey: 01/06/08





0	0	0	0	0	0
100	0.52	331.11	100	0 4	-0.22
200	0.53	310.43	199.99	1.09	-0 79
300	0.52	308.91	299.99	1 68	-1 5
400	0 27	326.25	399.99	2.16	-1 98
500	0.39	324.95	499.99	2.63	-2 31
600	0.23	297.39	599.98	3.01	-2.68
700	0.09	289.36	699 98	3 12	-2 93
800	0 16	282.3	799.98	3.18	-3.14
900	0 13	318.97	899.98	3.3	-3.35
1000	0.16	281.31	999.98	3.41	-3 56
1100	0.46	266.42	1099.98	3 41	-4.1
1200	0 39	272	1199.98	3.4	-4.84
1300	0.13	252 32	1299 98	3.37	-5.29
1400	0.26	298 31	1399 98	3.45	-5 6
1500	0 2	333.86	1499.98	3.71	-5.88
1600	0.31	317.82	1599.98	4.07	-6.13
1700	0.25	321.79	1699.97	4.44	-6.45
1800	0.37	300 41	1799 97	4.78	-6.86
1900	0.34	291.44	1899.97	5.05	-7 42
2000	0 41	294.49	1999.97	5.3	-8.02
2100	0 48	284 43	2099.97	5.56	-8.75
2200	0.77	275 15	2199.96	5.72	-9.83
2300	0 72	275.36	2299.95	5.84	-11.12
2400	0.8	272.11	2399.94	5.93	-12 44
2500	0.86	271.87	2499.93	5.98	-13.89
2600	0 86	274.68	2599.92	6.06	-15.39
2700	0 86	262.06	2699.91	6 02	-16.88
2800	0 9	267.62	2799.9	5.88	-18.41
2900	0 49	271.65	2899.89	5.86	-19.62
3000	0.59	275.43	2999.89	5.92	-20.56
3100	0.69	271 6	3099 88	5.99	-21.68
3200	0.61	257 07	3199.87	5.89	-22.8
3300	0.66	261 69	3299.87	5 68	-23.89
3400	0.62	259 86	3399.86	5 51	-24 99
3500	0.68	259 28	3499.85	5 3	-26.1
3600	0 7	269 37	3599 85	5 18	-27 3
3620	0.76	271 84	3619.85	5 19	-27 55
3645	0 62	264 5	3644 84	5 18	-27 85
3677	0 53	264 42	3676.84	5 15	-28 17
3709	1.49	307 76	3708.84	5.39	-28.65
3741	3.08	316.2	3740.81	6 26	-29 57
3772	4 92	317.79	3771 73	7.85	-31 04
3804	6.42	318.77	3803 58	10.21	-33 14
3836	7.39	319 32	3835.34	13.12	-35.66
3868	7.74	319.01	3867.07	16 3	-38 42
3900	8.44	319.09	3898.75	19 71	-41.37
3931	9.23	320 44	3929.38	23.34	-44 44
3963	10.2	321.5	3960.92	27.54	-47.84
4027	11.61	323 63	4023.76	37 16	-55.19
4058	11.61	323.9	4054.13	42 19	-58.88
4090	11 78	322 94	4085 46	47 4	-62.74

4122	12 49	323.34	4116 75	52 78	-66.78
4154	12 93	323.3	4147.96	58.43	-70.98
4185	13 89	323.29	4178.12	64.19	-75 28
4217	14.95	321 41	4209 11	70.5	-80 15
4249	15 21	320.59	4240.01	76 97	-85.39
4281	16	320.3	4270.83	83 6	-90.87
4312	16.44	319.12	4300 6	90 21	-96.47
4344	17 41	318.77	4331.21	97.23	-102.59
4376	18.99	317	4361.61	104.64	-109.3
4407	20.66	313 92	4390.77	112.12	-116 68
4439	22.69	313 43	4420.51	120.28	-125.23
4471	24.01	313.5	4449 88	129.01	-134.43
4503	25 41	313 83	4478.95	138.24	-144 11
4534	26.73	314.41	4506.8	147.73	-153.89
4566	27.87	314.8	4535.23	158.04	-164.33
4598	29.11	316.44	4563.36	168.95	-175.01
4629	30.16	317.91	4590.3	180.19	-185.42
4661	31.04	319.17	4617.85	192.4	-196.21
4693	31.57	318.28	4645.19	204.89	-207 17
4725	33.06	319.01	4672.23	217.74	-218.47
4756	33.85	318.37	4698.1	230.57	-229.76
4788	33.94	318.51	4724.66	243.93	-241.6
4820	34.21	318.5	4751.16	257 35	-253 47
4883	34 56	318.9	4803.15	284.08	-276.96
4947	35	319.68	4855.72	311.76	-300.77
4979	35 17	320.63	4881.91	325.88	-312.55
5010	35 09	320.66	4907.26	339.67	-323.86
5074	34.91	320.74	4959.69	368.08	-347.11
5137	34 65	320 7	5011.43	395.9	-369.86
5199	34 65	320.91	5062.43	423.22	-392 14
5263	33.59	319 8	5115.42	450.86	-415 04
5326	33.24	319.23	5168	477.25	-437.57
5390	33.24	319.97	5221.53	503.96	-460.3
5453	32.98	319.49	5274.3	530.22	-482.55
5516	33.5	319 96	5327	556.57	-504.87
5580	32 98	319 69	5380.52	583.37	-527.5
5642	33 5	320 14	5432 38	609 38	-549.38
5706	32.62	319 95	5486 02	636 14	-571.8
5770	32 1	319.76	5540 08	662.32	-593.89
5833	31 74	319.43	5593.55	687.69	-615.48
5897	32 01	320.1	5647.9	713.49	-637.31
5960	32 01	321.39	5701 32	739 35	-658 44
6055	31.74	321.22	5782	778.5	-689.8
6118	31 74	321.4	5835.57	804.37	-710 52
6182	32.18	320.75	5889.87	830.72	-731.8
6245	33.94	320 9	5942.67	857 37	-753.51
6308	32.62	321 04	5995.34	884.22	-775.28
6372	30.86	321 15	6049.76	910.42	-796.43
6435	29.19	321.25	6104 31	934 99	-816.18
6499	27.52	320.75	6160.63	958.61	-835.3
6562	26.38	322.25	6216 79	980.95	-853 08
6626	25.06	323.07	6274 44	1003 03	-869.93

6689	23.83	324.66	6331.8	1024.07	-885.31
6753	21.98	325.41	6390.75	1044.48	-899.59
6816	19 87	326.66	6449.59	1063.13	-912 17
6879	17.67	325.23	6509.24	1079.93	-923.51
6942	15.3	322.9	6569.64	1094.42	-933.98
7006	13 19	320.22	6631.67	1106.77	-943.74
7038	11.52	316.87	6662.93	1111.91	-948 26
7069	9 58	315.95	6693 4	1116.02	-952 17
7101	9.15	317.05	6724.98	1119 8	-955.76
7133	8.18	321.82	6756 61	1123 45	-958 9
7164	7.41	329.81	6787.33	1126.91	-961 27
7196	5.1	334.35	6819.13	1129.98	-962.92
7228	4.4	331.91	6851 02	1132 34	-964.11
7260	3 43	331.31	6882.95	1134.26	-965.15
7292	2.99	326.78	6914.9	1135 8	-966.07
7323	1 67	315.84	6945.87	1136 8	-966.83
7355	0 62	244.23	6977.87	1137.06	-967.31
7387	1 85	169.19	7009.86	1136.48	-967.37
7450	3.08	146.83	7072.8	1134.06	-966.25
7514	2.73	139.42	7136 72	1131.47	-964.32
7577	2.02	135.91	7199.67	1129.53	-962.57
7641	1 23	126.6	7263.64	1128.31	-961.23
7704	0 97	126.41	7326 63	1127.59	-960.26
7768	0 97	119.91	7390.62	1127	-959.36
7831	1 41	114.06	7453.6	1126.42	-958 19
7863	1 06	128.82	7485 6	1126.07	-957 6
7920	1.06	128.82	7542 59	1125.41	-956.77

Pathfinder Energy
Survey Report

Company:	Yates Petroleum Corporation	**Date:** 01/24/2008 **Time:** 14 36.41	**Page:** 1
Field:	Quandry BJQ Fed Com #1	**Co-ordinate(NE) Reference:**	Site. Quandry BJQ Fed Com #1, Grid North
Site:	Quandry BJQ Fed Com #1	**Vertical (TVD) Reference:**	SITE 0 0
Well:	Quandry BJQ Fed Com #1	**Section (VS) Reference:**	Well (0 00N,0 00E,319 22Azi)
Wellpath:	PathFinder Surveys	**Survey Calculation Method:**	Minimum Curvature **Db:** Sybase

Field:	Quandry BJQ Fed Com #1 Eddy County, NM		
Map System:	US State Plane Coordinate System 1983	**Map Zone:**	New Mexico, Eastern Zone
Geo Datum:	GRS 1980	**Coordinate System:**	Site Centre
Sys Datum:	Mean Sea Level	**Geomagnetic Model:**	igrf2005

Site:	Quandry BJQ Fed Com #1 Eddy County, NM				
Site Position:		**Northing:**	545856 80 ft	**Latitude:**	32 30 1 874 N
From:	Map	**Easting:**	493010 10 ft	**Longitude:**	104 29 24 341 W
Position Uncertainty:	0 00 ft			**North Reference:**	Grid
Ground Level:	3830 00 ft			**Grid Convergence:**	-0 08 deg

Well:	Quandry BJQ Fed Com #1				**Slot Name:**	
Well Position:	+N/-S	0.00 ft	**Northing:**	545856 80 ft	**Latitude:**	32 30 1 874 N
	+E/-W	0.00 ft	**Easting :**	493010 10 ft	**Longitude:**	104 29 24 341 W
Position Uncertainty:		0 00 ft				

Wellpath:	PathFinder Surveys			**Drilled From:**	Surface
				Tie-on Depth:	0 00 ft
Current Datum:	SITE	**Height**	0 00 ft	**Above System Datum:**	Mean Sea Level
Magnetic Data:	01/08/2008			**Declination:**	8.36 deg
Field Strength:	49085 nT			**Mag Dip Angle:**	60 40 deg

Vertical Section: Depth From (TVD) ft	**+N/-S** ft	**+E/-W** ft	**Direction** deg
0 00	0 00	0 00	319.22

Survey Program for Definitive Wellpath
Date: 01/23/2008 **Validated:** No **Version:** 0

Actual From ft	**To** ft	**Survey**	**Toolcode**	**Tool Name**
100 00	3600 00	Gyro Survey (100 00-3620 00)		
3620.00	7920.00	PathFinder Surveys (3620 00-7920 00)		

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
0 00	0 00	0 00	0 00	0 00	0 00	0 00	0.00	0 00	0 00	TIE LINE
100 00	0 52	331 11	100 00	0 40	-0.22	0 44	0.52	0 52	0.00	
200 00	0 53	310 43	199.99	1 09	-0 79	1 35	0 19	0 01	-20 68	
300 00	0 52	308 91	299.99	1 68	-1 50	2 25	0.02	-0 01	-1 52	
400 00	0 27	326 25	399.99	2 16	-1 98	2 93	0.27	-0.25	17.34	
500 00	0.39	324 95	499 99	2 63	-2 31	3 50	0 12	0.12	-1 30	
600.00	0.23	297 39	599 98	3.01	-2 68	4 03	0 21	-0 16	-27 56	
700.00	0 09	289 36	699 98	3 12	-2 93	4 28	0 14	-0 14	-8 03	
800.00	0 16	282 30	799 98	3 18	-3 14	4 46	0.07	0 07	-7 06	
900.00	0 13	318 97	899.98	3 30	-3 35	4 69	0 10	-0.03	36 67	
1000.00	0 16	281 31	999.98	3 41	-3 56	4 91	0 10	0 03	-37 66	
1100 00	0 46	266 42	1099 98	3 41	-4 10	5.26	0 31	0 30	-14 89	
1200 00	0 39	272.00	1199 98	3 40	-4 84	5 74	0.08	-0 07	5.58	
1300 00	0 13	252 32	1299 98	3 37	-5 29	6 01	0 27	-0 26	-19 68	
1400 00	0 26	298.31	1399 98	3 45	-5 60	6 27	0 19	0 13	45 99	
1500 00	0.20	333 86	1499 98	3 71	-5 88	6.65	0 15	-0 06	35.55	
1600 00	0 31	317 82	1599 98	4 07	-6.13	7 09	0 13	0 11	-16 04	
1700 00	0 25	321 79	1699 97	4 44	-6 45	7 58	0.06	-0 06	3 97	
1800 00	0 37	300 41	1799 97	4 78	-6 86	8 10	0 16	0 12	-21 38	
1900 00	0.34	291 44	1899 97	5 05	-7.42	8 67	0 06	-0 03	-8.97	
2000 00	0 41	294 49	1999.97	5 30	-8 02	9 26	0 07	0 07	3 05	
2100 00	0 48	284 43	2099 97	5 56	-8 75	9.92	0 10	0 07	-10.06	

Pathfinder Energy
Survey Report

Company:	Yates Petroleum Corporation	**Date:** 01/24/2008 **Time:** 14:36 41	**Page:** 2
Field:	Quandry BJQ Fed. Com #1	**Co-ordinate(NE) Reference:**	Site Quandry BJQ Fed Com #1, Grid North
Site:	Quandry BJQ Fed Com #1	**Vertical (TVD) Reference:**	SITE 0.0
Well:	Quandry BJQ Fed Com #1	**Section (VS) Reference:**	Well (0 00N,0 00E,319 22Azi)
Wellpath:	PathFinder Surveys	**Survey Calculation Method:**	Minimum Curvature **Db:** Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
2200 00	0 77	275 15	2199 96	5.72	-9.83	10.75	0 31	0 29	-9 28	
2300.00	0.72	275 36	2299 95	5 84	-11 12	11 69	0.05	-0 05	0.21	
2400.00	0.80	272 11	2399 94	5 93	-12 44	12 62	0 09	0.08	-3 25	
2500 00	0 86	271 87	2499 93	5 98	-13 89	13 60	0 06	0 06	-0.24	
2600 00	0 86	274 68	2599 92	6 06	-15.39	14 64	0.04	0 00	2 81	
2700 00	0 86	262 06	2699.91	6 02	-16 88	15 58	0.19	0 00	-12 62	
2800.00	0.90	267 62	2799 90	5 88	-18 41	16 48	0 09	0 04	5 56	
2900 00	0 49	271 65	2899 89	5 86	-19 62	17 26	0 41	-0 41	4 03	
3000 00	0 59	275 43	2999.89	5 92	-20 56	17 92	0 11	0 10	3 78	
3100 00	0 69	271 60	3099.88	5 99	-21.68	18.69	0 11	0 10	-3.83	
3200 00	0 61	257 07	3199 87	5 89	-22 80	19 35	0 18	-0 08	-14 53	
3300 00	0 66	261 69	3299 87	5 68	-23 89	19 91	0.07	0 05	4 62	
3400.00	0 62	259 86	3399 86	5 51	-24 99	20 49	0 04	-0 04	-1.83	
3500 00	0 68	259 28	3499 85	5 30	-26 10	21 06	0 06	0.06	-0 58	
3600 00	0 70	269 37	3599 85	5.18	-27 30	21.76	0 12	0 02	10 09	
3620 00	0 76	271.84	3619 85	5.19	-27.55	21 92	0.34	0 30	12.35	Tie Into Gyro Survey
3645.00	0 62	264 50	3644 84	5.18	-27.85	22.11	0 66	-0 56	-29 36	
3673 00	0 54	264 43	3672 84	5 15	-28 14	22 28	0 28	-0 28	-0 24	KOP @ 3673 MD/TVD
3677 00	0.53	264 42	3676 84	5 15	-28 17	22 30	0 28	-0.28	-0.29	
3709 00	1.49	307 76	3708 84	5.39	-28 65	22.79	3 63	3.00	135 44	
3741 00	3.08	316 20	3740 81	6.26	-29 57	24.06	5 07	4 97	26 37	
3772 00	4 92	317 79	3771 73	7 85	-31 04	26.22	5 95	5 94	5 13	
3804 00	6 42	318 77	3803.58	10 21	-33 14	29 38	4 70	4 69	3 06	
3836 00	7 39	319.32	3835.34	13 12	-35 66	33.23	3.04	3.03	1 72	
3868 00	7.74	319 01	3867 07	16.30	-38 42	37 44	1 10	1 09	-0 97	
3900 00	8 44	319.09	3898 75	19.71	-41.37	41 94	2 19	2 19	0 25	
3931 00	9.23	320 44	3929 38	23 34	-44 44	46 70	2.63	2.55	4 35	
3963.00	10 20	321 50	3960 92	27.54	-47 84	52 10	3.08	3 03	3 31	
4027.00	11 61	323 63	4023.76	37 16	-55 19	64 19	2.29	2.20	3 33	
4058 00	11 61	323 90	4054 13	42 19	-58 88	70 40	0 18	0 00	0.87	
4090 00	11 78	322.94	4085.46	47.40	-62 74	76 87	0.81	0 53	-3 00	
4122 00	12 49	323.34	4116 75	52 78	-66 78	83 58	2.23	2 22	1 25	
4154 00	12 93	323.30	4147.96	58 43	-70 98	90 61	1.38	1 37	-0 12	
4185 00	13.89	323.29	4178 12	64 19	-75 28	97 78	3 10	3 10	-0.03	
4217 00	14 95	321 41	4209 11	70 50	-80 15	105 73	3 62	3 31	-5 87	
4249 00	15 21	320 59	4240 01	76 97	-85 39	114 06	1 05	0 81	-2 56	
4281 00	16 00	320 30	4270 83	83 60	-90 87	122 66	2 48	2 47	-0 91	
4312 00	16 44	319 12	4300 60	90 21	-96 47	131 32	1 77	1 42	-3 81	
4344 00	17 41	318 77	4331 21	97 23	-102 59	140.64	3 05	3 03	-1 09	
4376 00	18 99	317 00	4361 61	104 64	-109.30	150 63	5 23	4 94	-5 53	
4407.00	20.66	313 92	4390 77	112 12	-116 68	161 11	6 35	5 39	-9 94	
4439 00	22 69	313 43	4420 51	120 28	-125 23	172 87	6 37	6 34	-1 53	
4471 00	24 01	313 50	4449 88	129 01	-134 43	185 49	4 13	4 12	0 22	
4503 00	25 41	313.83	4478.95	138.24	-144 11	198 81	4 40	4 37	1.03	
4534 00	26 73	314 41	4506 80	147 73	-153 89	212 38	4 34	4.26	1 87	
4566 00	27 87	314 80	4535 23	158.04	-164 33	227.01	3 61	3 56	1.22	
4598 00	29 11	316 44	4563.36	168.95	-175 01	242.24	4 58	3 87	5 12	
4629 00	30 16	317 91	4590 30	180.19	-185 42	257 56	4 12	3 39	4 74	
4661 00	31 04	319 17	4617 85	192 40	-196.21	273 84	3 40	2.75	3 94	
4693 00	31.57	318.28	4645 19	204 89	-207 17	290 47	2 20	1.66	-2 78	
4725 00	33 06	319 01	4672.23	217.74	-218 47	307 57	4.81	4 66	2 28	
4756 00	33 85	318 37	4698 10	230.57	-229 76	324.66	2 79	2.55	-2.06	
4788 00	33 94	318 51	4724 66	243.93	-241 60	342 51	0 37	0 28	0 44	

Pathfinder Energy
Survey Report

Company:	Yates Petroleum Corporation	**Date:** 01/24/2008 **Time:** 14 36 41	**Page:** 3
Field:	Quandry BJQ Fed Com #1	**Co-ordinate(NE) Reference:**	Site Quandry BJQ Fed Com #1, Grid North
Site:	Quandry BJQ Fed Com #1	**Vertical (TVD) Reference:**	SITE 0 0
Well:	Quandry BJQ Fed Com #1	**Section (VS) Reference:**	Well (0.00N,0 00E,319 22Azi)
Wellpath:	PathFinder Surveys	**Survey Calculation Method:**	Minimum Curvature **Db:** Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
4820 00	34.21	318 50	4751 16	257.35	-253 47	360 43	0 84	0.84	-0 03	
4828 02	34 25	318.55	4757 79	260 73	-256.46	364.95	0 66	0 55	0.64	EOB @ 4828' MD, 34 65° IN
4883 00	34 56	318.90	4803 15	284 08	-276 96	396 01	0 66	0 56	0.63	
4947 00	35 00	319 68	4855 72	311 76	-300 77	432 52	0 98	0 69	1.22	
4979.00	35 17	320.63	4881 91	325.88	-312 55	450 91	1 79	0 53	2.97	
5010 00	35 09	320 66	4907 26	339 67	-323 86	468 74	0 26	-0.26	0.10	
5074 00	34 91	320 74	4959 69	368.08	-347 11	505 44	0.29	-0 28	0 12	
5137.00	34 65	320 70	5011 43	395 90	-369 86	541.36	0 41	-0 41	-0.06	
5199.00	34 65	320 91	5062 43	423.22	-392 14	576 60	0 19	0 00	0 34	
5263 00	33 59	319 80	5115 42	450 86	-415 04	612 49	1 92	-1.66	-1 73	
5326 00	33 24	319.23	5168 00	477.25	-437 57	647 18	0 75	-0.56	-0 90	
5390 00	33 24	319 97	5221.53	503.96	-460 30	682 26	0 63	0.00	1 16	
5453 00	32 98	319.49	5274 30	530 22	-482 55	716.68	0.59	-0 41	-0 76	
5516.00	33 50	319 96	5327 00	556 57	-504 87	751 21	0.92	0 83	0.75	
5580 00	32 98	319.69	5380 52	583.37	-527 50	786.29	0 84	-0.81	-0 42	
5642 00	33.50	320 14	5432 38	609 38	-549 38	820.27	0.93	0 84	0 73	
5706 00	32 62	319 95	5486 02	636.14	-571 80	855 18	1 38	-1.37	-0 30	
5770 00	32 10	319 76	5540 08	662 32	-593.89	889.43	0 83	-0 81	-0 30	
5833.00	31 74	319 43	5593 55	687 69	-615 48	922 74	0 64	-0.57	-0.52	
5897 00	32 01	320.10	5647 90	713 49	-637.31	956 53	0 70	0 42	1 05	
5960 00	32 01	321.39	5701 32	739 35	-658 44	989 91	1 09	0.00	2.05	
6055 00	31.74	321.22	5782 00	778 50	-689 80	1040 05	0 30	-0 28	-0 18	
6118 00	31 74	321 40	5835 57	804.37	-710 52	1073 17	0 15	0 00	0 29	
6182 00	32 18	320 75	5889.87	830 72	-731 80	1107 03	0 87	0 69	-1 02	
6243 30	33 89	320 90	5941.26	856 63	-752 91	1140 43	2 80	2 79	0 24	EOH @ 6243' MD, 5923' TVD
6245 00	33.94	320 90	5942 67	857 37	-753.51	1141 38	2 80	2 79	0 23	
6308 00	32.62	321.04	5995.34	884 22	-775 28	1175 93	2 10	-2 10	0 22	
6372 00	30 86	321 15	6049.76	910 42	-796 43	1209 58	2 75	-2 75	0 17	
6435 00	29 19	321 25	6104.31	934 99	-816 18	1241.09	2 65	-2.65	0.16	
6499 00	27 52	320 75	6160 63	958 61	-835.30	1271 46	2.64	-2.61	-0 78	
6562 00	26 38	322 25	6216 79	980.95	-853.08	1299 99	2 11	-1 81	2 38	
6626 00	25 06	323 07	6274 44	1003 03	-869 93	1327 72	2 14	-2 06	1.28	
6689.00	23.83	324.66	6331 80	1024 07	-885 31	1353 70	2 21	-1 95	2.52	
6753 00	21 98	325.41	6390.75	1044 48	-899 59	1378 48	2 93	-2 89	1 17	
6816.00	19 87	326 66	6449.59	1063 13	-912 17	1400 82	3 42	-3 35	1 98	
6879 00	17 67	325.23	6509.24	1079 93	-923 51	1420 95	3 57	-3 49	-2 27	
6942 00	15 30	322 90	6569.64	1094 42	-933.98	1438 75	3.90	-3 76	-3 70	
7006 00	13 19	320.22	6631 67	1106 77	-943.74	1454 48	3 45	-3 30	-4 19	
7038 00	11 52	316 87	6662 93	1111 91	-948.26	1461 32	5.68	-5.22	-10 47	
7069.00	9 58	315 95	6693 40	1116.02	-952.17	1466 99	6 28	-6 26	-2 97	
7101 00	9 15	317 05	6724.98	1119 80	-955 76	1472 19	1 46	-1 34	3 44	
7133 00	8 18	321 82	6756 61	1123 45	-958 90	1477 01	3 77	-3 03	14 91	
7164 00	7.41	329 81	6787 33	1126.91	-961.27	1481 18	4 28	-2 48	25 77	
7196 00	5 10	334 35	6819 13	1129.98	-962.92	1484 58	7 38	-7 22	14 19	
7228 00	4 40	331.91	6851 02	1132.34	-964 11	1487 15	2 28	-2 19	-7.62	
7260 00	3 43	331 31	6882 95	1134.26	-965 15	1489.29	3 03	-3 03	-1 87	
7292.00	2.99	326 78	6914.90	1135 80	-966 07	1491 05	1 59	-1 37	-14 16	
7323 00	1 67	315 84	6945 87	1136 80	-966.83	1492 30	4 47	-4.26	-35.29	
7353 00	0 62	253.39	6975.87	1137 07	-967 29	1492.80	4.96	-3 49	-208 16	1122 67 Northing, -957 67
7355 00	0 62	244 23	6977 87	1137 06	-967 31	1492 81	4 96	-0 11	-458 04	
7359 28	0 65	222 54	6982 15	1137.03	-967.34	1492 82	5 60	0 63	-506.81	EOD @ 7359' MD, 1 17° INC
7387 00	1 85	169 19	7009 86	1136 48	-967 37	1492 41	5 60	4 34	-192 45	
7450 00	3 08	146 83	7072 80	1134 06	-966.25	1489 85	2 44	1 95	-35 49	
7514.00	2 73	139 42	7136.72	1131.47	-964.32	1486.62	0 80	-0 55	-11.58	

Pathfinder Energy
Survey Report

Company:	Yates Petroleum Corporation	**Date:** 01/24/2008 **Time:** 14 36 41	**Page:** 4
Field:	Quandry BJQ Fed Com #1	**Co-ordinate(NE) Reference:**	Site Quandry BJQ Fed Com #1, Grid North
Site:	Quandry BJQ Fed Com #1	**Vertical (TVD) Reference:**	SITE 0.0
Well:	Quandry BJQ Fed Com #1	**Section (VS) Reference:**	Well (0.00N,0 00E,319 22Azi)
Wellpath:	PathFinder Surveys	**Survey Calculation Method:**	Minimum Curvature **Db:** Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
7577.00	2 02	135 91	7199 67	1129 53	-962.57	1484 01	1 15	-1 13	-5 57	
7641 00	1 23	126 60	7263 64	1128 31	-961 23	1482.22	1 30	-1 23	-14 55	
7704.00	0 97	126 41	7326 63	1127 59	-960 26	1481 04	0 41	-0.41	-0.30	
7768 00	0 97	119 91	7390 62	1127 00	-959 36	1480.00	0 17	0 00	-10 16	
7831 00	1 41	114 06	7453 60	1126 42	-958 19	1478.79	0 72	0 70	-9 29	
7863 00	1.06	128 82	7485 60	1126 07	-957 60	1478 15	1 47	-1 09	46 12	
7920 00	1 06	128.82	7542 59	1125 41	-956 77	1477 11	0 00	0.00	0 00	BHL 699' FSL, 764' FWL

Annotation

MD ft	TVD ft	
3673 00	3672.84	KOP @ 3673 MD/TVD
4828 02	4757.79	EOB @ 4828' MD, 34 65° INC, 4758' TVD, Begin Hold
6243 30	5941.26	EOH @ 6243' MD, 5923' TVD, Begin Drop @ 3°/100'
7359 28	6982 15	EOD @ 7359' MD, 1.17° INC, 6970' TVD, Hold to TD
7920 00	7542 59	Projection to Bit
7353.00	6975 87	Interp HL Xing @ 7353' MD, 6978 92 TVD
7353.00	6975 87	1122.67 Northing, -957 67 Easting
3620 00	3619 85	Tie Into Gyro Survey
7920 00	7542 59	BHL 699' FSL, 764' FWL

Yates Petroleum Company

PATHFINDER

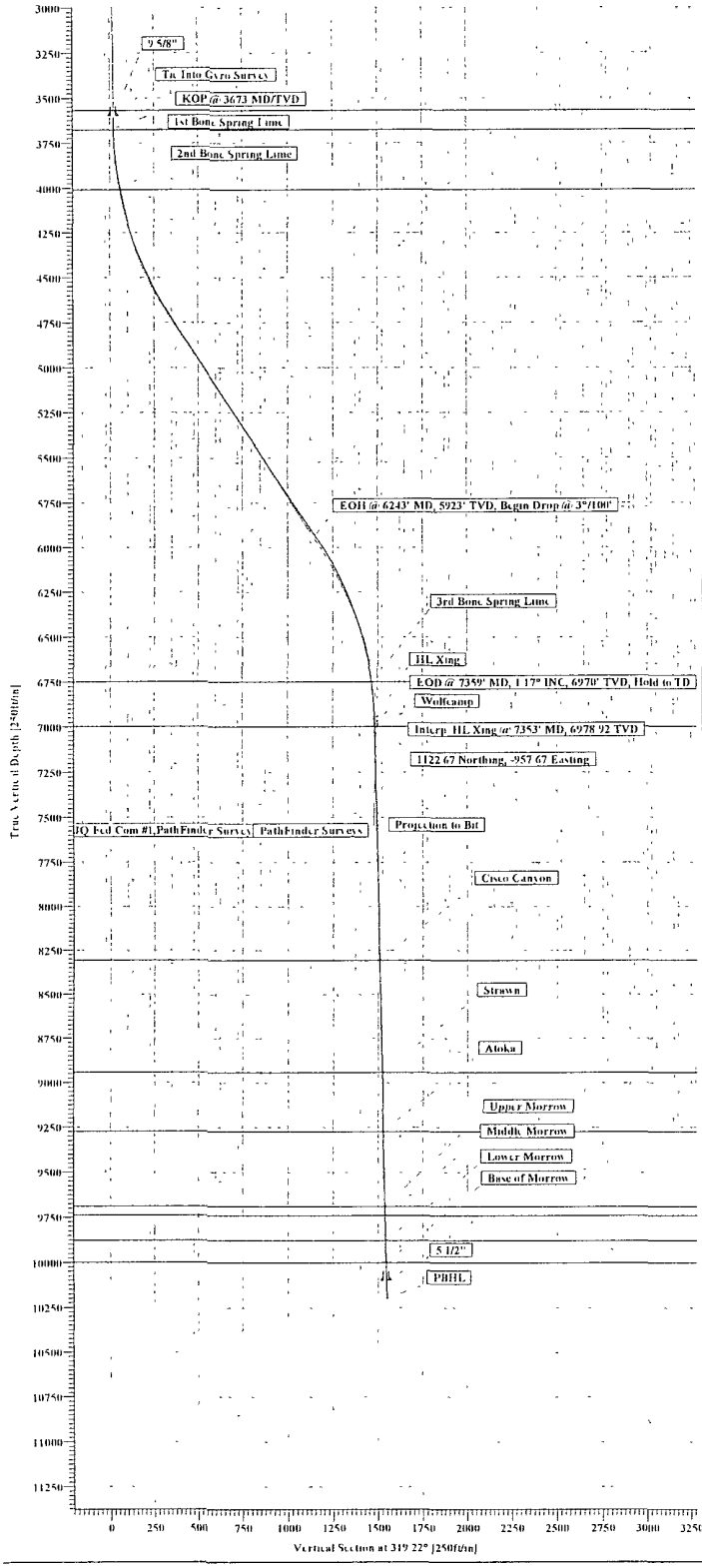
Field: Quandry BJQ Fed. Com #1
Site: Quandry BJQ Fed Com #1
Well: Quandry BJQ Fed Com #1
Wellpath: PathFinder Surveys
Plan: Plan #1 10-29-07

CASING DETAILS

No	TVD	MD	Name	Size
1	399 99	400 00	13 3/8"	13 375
2	3599 85	3600 00	9 5/8"	9 625
3	10099 50	10474 23	5 1/2"	5 500

FORMATION TOP DETAILS

No	TVDPath	MDPath	Formation
1	3680 00	3680 16	1st Bone Spring Lime
2	4010 00	4012 23	2nd Bone Spring Lime
3	6750 00	7123 28	3rd Bone Spring Lime
4	7000 00	7374 09	Wolfcamp
5	8310 00	8684 36	Cisco Canyon
6	8945 00	9319 49	Strawn
7	9275 00	9649 56	Atoka
8	9690 00	10064 65	Upper Morrow
9	9740 00	10114 66	Middle Morrow
10	9880 00	10254 69	Lower Morrow
11	10000 00	10374 71	Base of Morrow



Azimuths to Grid North
True North 0 08°
Magnetic North 8 45°

Magnetic Field
Strength 49085nT
Dip Angle 60 40°
Date 01/08/2008
Model igrf2005

WELLPATH DETAILS

PathFinder Surveys

Rig	Patterson #78
Ref Datum	SITE 0 00ft

V Section Angle	Origin +N/-S	Origin +E/-W	Starting From TVD
319 22°	0 00	0 00	0 00

SITE DETAILS

Quandry BJQ Fed Com #1
Eddy County NM

Site Centre Northing 545856 80
Easting 493010 10

Ground Level 3830 00
Positional Uncertainty 0 00
Convergence -0 08

TARGET DETAILS

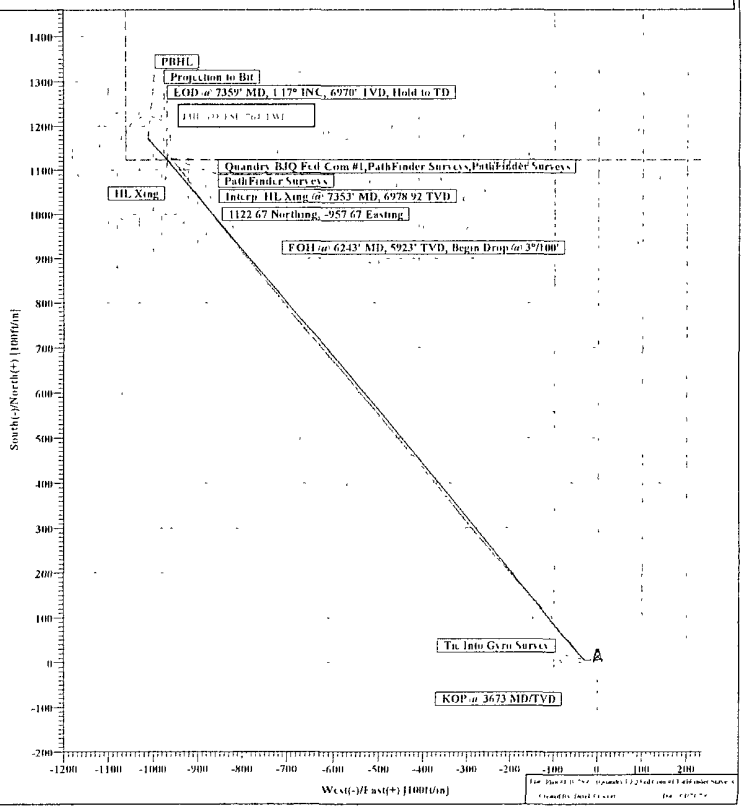
Name	TVD	+N/-S	+E/-W	Shape
HL Xing	6970 00	1122 00	-967 87	Point
PBHL	10200 00	1172 00	-1011 00	Circle (Radius 50)

ANNOTATIONS

No	TVD	MD	Annotation
1	3672 84	3673 00	KOP @ 3673 MD/TVD
2	4756 12	4828 02	EOB @ 4828' MD 34 65° INC 4758' TVD Begin Hold
3	5935 62	6243 30	EOH @ 6243' MD 5923' TVD Begin Drop @ 3°/100'
4	6985 20	7359 28	EOD @ 7359' MD 1 17° INC 6970' TVD Hold to TD
5	7545 80	7920 00	Projection to Bit
6	6978 92	7353 00	Interp HL Xing @ 7353' MD 6978 92 TVD
7	6978 92	7353 00	1122 67 Northing -957 67 Easting
8	3619 85	3620 00	Tie Into Gyro Surveys

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	3620 00	0 76	271 84	3619 85	5 19	-27 55	0 00	0 00	21 92	
2	3673 00	0 76	271 84	3672 84	5 21	-28 26	0 00	0 00	22 40	
3	4774 63	33 55	320 15	4711 62	245 87	-236 42	3 00	49 18	340 59	
4	6264 78	33 55	320 15	5953 52	878 15	-764 11	0 00	0 00	1161 04	
5	7344 08	1 17	319 22	6970 00	1122 00	-967 87	3 00	-179 96	1481 77	HL Xing
6	10574 76	1 17	319 22	10200 00	1172 00	-1011 00	0 00	0 00	1547 81	PBHL



PATHFINDER

DIRECTIONAL SURVEY REPORT

YATES PETROLEUM

QUANDRY BJQ FEDERAL COM #1

EDDY COUNTY, NEW MEXICO

PREPARED BY: *CODY MEBANE*

Pathfinder Energy Services, Inc.
6213 W. County Road 112 • Midland, TX • 79706
(432)681-6000

PATHFINDER
ENERGY SERVICES

6213 W. County Road 112 • Midland, TX 79706 • Phone: 432-681-6000 • Fax: 432-687-1544

DIRECTIONAL SURVEY COMPANY REPORT:

1. NAME OF SURVEYING COMPANY: PATHFINDER ENERGY SERVICES

2. NAME OF PERSON(S) PERFORMING SURVEY:
   A) WESLEY TEETER
   B) J. EIMERS
   C) S. ROBERTSON

3. POSITION OF SAID PERSON(S): (A-F) SURVEYORS (FIELD ENGINEERS)

4. DATE(S) ON WHICH SURVEY WAS PERFORMED: 01/06/08 TO 01/17/08.

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
   QUANDRY BJQ FEDERAL COM #1
   EDDY COUNTY, NM
   RIG: PATTERSON #78

9. SURVEY CERTIFIED FROM: 3645 TO 7863 FEET MEASURED DEPTH.

THIS IS TO VERIFY THAT ATTACHED DOCUMENTS SHOWING THE WELL TO BE DISPLACED AT 1477.18 FEET ON A BEARING OF 319.63 DEGREES FROM THE CENTER OF THE ROTARY TABLE AT A PROJECTED BIT DEPTH OF 7920 FEET, ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

CODY MEBANE
M/LWD SERVICE COORDINATOR

PathFinder Energy Services, Inc.
BHL Report

Tie-in Date: 01/06/2008
Date Completed: 01/17/2008

YATES PETROLEUM
QUANDRY BJQ FED COM #1
EDDY COUNTY, NEW MEXICO
Rig:PATTERSON 78
PathFinder Office Supervisor: CODY MEBANE
PathFinder Field Engineers:W.TEETER
J.EIMERS

Survey Horiz. Reference:WELLHEAD
Ref Coordinates: LAT:32.30.1.8853 N LON:104.29.24.3299 W
GRID Reference:NAD83 new mexico east Transverse Mercator
Ref GRID Coor: X: 493010.1000 Y: 545856.8000
North Aligned To:GRID NORTH
Total Magnetic Correction: 8.50° EAST TO GRID
Vertical Section Plane: 319.22
Survey Vert. Reference: 15.00' Kelly Bushing To Ground
Altitude:3830.00' Ground To MSL

Measured Depth	7920.00	(feet)
Inclination	1.06	(deg)
Azimuth	128.82	(deg)
True Vertical Depth	7542.58	(feet)
Vertical Section	1477.14	(feet)
Survey X cord	492053.31	(feet)
Survey Y cord	546982.24	(feet)
Survey Lat	32.50361337 N	(deg)
Survey Lon	104.49320061 W	(deg)
Rectangular Corr. N/S	1125.44 N	(feet)
Rectangular Corr. E/W	956.79 W	(feet)
Closure Distance	1477.18	(feet)
Direction of Closure	319.63	(deg)
Dogleg Severity	0.00	(deg/100ft)

Tie-in Date: 01/06/2008
Date Completed: 01/17/2008

PathFinder Energy Services, Inc.
Survey Report

YATES PETROLEUM
QUANDRY BJQ FED COM #1
EDDY COUNTY, NEW MEXICO
Rig:PATTERSON 78
PathFinder Office Supervisor: CODY MEBANE
PathFinder Field Engineers: W.TEETER
J.EIMERS

Survey Calculations by PathCalc v1.97 using Minimum Curvature

Survey Horiz. Reference:WELLHEAD
Ref Coordinates: LAT:32.30.1.8853 N LON:104.29.24.3299 W
Reference:NAD83 new mexico east Transverse Mercator
Ref GRID Coor: X: 493010.1000 Y: 545856.8000
North Aligned To:GRID NORTH
Total Magnetic Correction: 8.50° EAST TO GRID
Vertical Section Plane: 319.22
Survey Vert. Reference: 15.00' Kelly Bushing To Ground
Altitude:3830.00' Ground To MSL

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Subsea Depth (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)	(ft)	Closure Dist (ft)	Dir (deg)	DLS (dg/100ft)	TEMP (F)
TIE IN TO GRYO DATA SURVEY @ 3620' MD.											
3620.00	0.76	271.84	3619.84	3604.84	21.92	5.19 N	27.55 W	28.03@	280.67	0.00	0.00
THE FOLLOWING ARE PATHFINDER MWD SURVEYS.											
3645.00	0.62	264.50	3644.84	3629.84	22.11	5.18 N	27.85 W	28.33@	280.54	0.66	86.57
3677.00	0.53	264.42	3676.84	3661.84	22.30	5.15 N	28.17 W	28.64@	280.36	0.28	86.57
3709.00	1.49	307.76	3708.83	3693.83	22.79	5.39 N	28.65 W	29.15@	280.66	3.63	90.18
3741.00	3.08	316.20	3740.81	3725.81	24.06	6.27 N	29.57 W	30.23@	281.97	5.07	90.18
3772.00	4.92	317.79	3771.73	3756.73	26.22	7.85 N	31.04 W	32.02@	284.20	5.95	93.80
3804.00	6.42	318.77	3803.57	3788.57	29.38	10.21 N	33.14 W	34.68@	287.13	4.70	93.80
3836.00	7.39	319.32	3835.34	3820.34	33.23	13.12 N	35.66 W	38.00@	290.20	3.04	93.80
3868.00	7.74	319.01	3867.06	3852.06	37.44	16.31 N	38.42 W	41.73@	293.00	1.10	93.80
3900.00	8.44	319.09	3898.74	3883.74	41.94	19.71 N	41.37 W	45.82@	295.48	2.19	93.80
3931.00	9.23	320.44	3929.37	3914.37	46.71	23.35 N	44.44 W	50.20@	297.71	2.63	93.80
3963.00	10.20	321.50	3960.91	3945.91	52.10	27.54 N	47.84 W	55.20@	299.93	3.08	97.41
4027.00	11.61	323.63	4023.76	4008.76	64.19	37.16 N	55.19 W	66.53@	303.96	2.29	97.41
4058.00	11.61	323.90	4054.12	4039.12	70.41	42.19 N	58.87 W	72.43@	305.63	0.18	97.41
4090.00	11.78	322.94	4085.46	4070.46	76.87	47.40 N	62.74 W	78.63@	307.07	0.81	97.41
4122.00	12.49	323.34	4116.74	4101.74	83.58	52.79 N	66.77 W	85.12@	308.33	2.23	97.41
4154.00	12.93	323.30	4147.96	4132.96	90.61	58.43 N	70.98 W	91.94@	309.46	1.38	101.02
4185.00	13.89	323.29	4178.11	4163.11	97.78	64.20 N	75.28 W	98.93@	310.46	3.10	101.02
4217.00	14.95	321.41	4209.11	4194.11	105.73	70.50 N	80.15 W	106.74@	311.34	3.62	101.02
4249.00	15.21	320.59	4240.00	4225.00	114.06	76.97 N	85.39 W	114.96@	312.03	1.05	101.02
4281.00	16.00	320.30	4270.82	4255.82	122.66	83.61 N	90.87 W	123.48@	312.62	2.48	101.02
4312.00	16.44	319.12	4300.59	4285.59	131.32	90.21 N	96.47 W	132.08@	313.08	1.77	101.02

PathFinder Energy Services, Inc.
Survey Report

YATES PETROLEUM
QUANDRY BJQ FED COM #1
EDDY COUNTY, NEW MEXICO
RIG:PATTERSON 78

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Subsea Depth (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)	(ft)	Closure Dist (ft)	Dir (deg)	DLS (dg/100ft)	TEMP (F)
4344.00	17.41	318.77	4331.20	4316.20	140.64	97.24 N	102.59 W	141.35@	313.47	3.05	101.02
4376.00	18.99	317.00	4361.60	4346.60	150.63	104.64 N	109.30 W	151.31@	313.75	5.23	101.02
4407.00	20.66	313.92	4390.76	4375.76	161.11	112.13 N	116.68 W	161.82@	313.86	6.35	101.02
4439.00	22.69	313.43	4420.50	4405.50	172.88	120.29 N	125.22 W	173.64@	313.85	6.37	101.02
4471.00	24.01	313.50	4449.88	4434.88	185.49	129.01 N	134.43 W	186.32@	313.82	4.13	101.02
4503.00	25.41	313.83	4478.95	4463.95	198.81	138.25 N	144.11 W	199.70@	313.81	4.40	101.02
4534.00	26.73	314.41	4506.79	4491.79	212.38	147.73 N	153.88 W	213.32@	313.83	4.34	101.02
4566.00	27.87	314.80	4535.23	4520.23	227.01	158.04 N	164.33 W	228.00@	313.88	3.61	101.02
4598.00	29.11	316.44	4563.35	4548.35	242.24	168.95 N	175.00 W	243.25@	313.99	4.58	101.02
4629.00	30.16	317.91	4590.30	4575.30	257.56	180.20 N	185.42 W	258.56@	314.18	4.12	104.64
4661.00	31.04	319.17	4617.84	4602.84	273.84	192.40 N	196.20 W	274.80@	314.44	3.40	104.64
4693.00	31.57	318.28	4645.18	4630.18	290.47	204.90 N	207.17 W	291.38@	314.68	2.20	101.02
4725.00	33.06	319.01	4672.23	4657.23	307.57	217.74 N	218.47 W	308.45@	314.90	4.81	101.02
4756.00	33.85	318.37	4698.09	4683.09	324.66	230.58 N	229.75 W	325.50@	315.10	2.79	104.64
4788.00	33.94	318.51	4724.65	4709.65	342.51	243.93 N	241.59 W	343.32@	315.28	0.37	104.64
4820.00	34.21	318.50	4751.16	4736.16	360.43	257.36 N	253.47 W	361.22@	315.44	0.84	104.64
4883.00	34.56	318.90	4803.15	4788.15	396.01	284.09 N	276.95 W	396.75@	315.73	0.66	104.64
4947.00	35.00	319.68	4855.72	4840.72	432.52	311.76 N	300.76 W	433.19@	316.03	0.98	97.41
4979.00	35.17	320.63	4881.90	4866.90	450.91	325.88 N	312.55 W	451.54@	316.20	1.79	97.41
5010.00	35.09	320.66	4907.25	4892.25	468.74	339.68 N	323.86 W	469.32@	316.37	0.26	97.41
5074.00	34.91	320.74	4959.68	4944.68	505.44	368.08 N	347.11 W	505.94@	316.68	0.29	101.02
5137.00	34.65	320.70	5011.43	4996.43	541.36	395.90 N	369.86 W	541.79@	316.95	0.41	101.02
5199.00	34.65	320.91	5062.43	5047.43	576.60	423.22 N	392.14 W	576.96@	317.18	0.19	104.64
5263.00	33.59	319.80	5115.41	5100.41	612.49	450.86 N	415.04 W	612.81@	317.37	1.92	104.64
5326.00	33.24	319.23	5168.00	5153.00	647.18	477.25 N	437.56 W	647.48@	317.48	0.75	108.25
5390.00	33.24	319.97	5221.53	5206.53	682.26	503.97 N	460.30 W	682.54@	317.59	0.63	108.25
5453.00	32.98	319.49	5274.30	5259.30	716.68	530.23 N	482.54 W	716.93@	317.70	0.59	108.25

PathFinder Energy Services, Inc.
Survey Report

YATES PETROLEUM
QUANDRY BJQ FED COM #1
EDDY COUNTY, NEW MEXICO
RIG:PATTERSON 78

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Subsea Depth (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)	(ft)	Closure Dist (ft)	Dir (deg)	DLS (dg/100ft)	TEMP (F)
5516.00	33.50	319.96	5326.99	5311.99	751.21	556.57 N	504.87 W	751.44@	317.79	0.92	108.25
5580.00	32.98	319.69	5380.52	5365.52	786.29	583.38 N	527.50 W	786.50@	317.88	0.84	108.25
5642.00	33.50	320.14	5432.37	5417.37	820.27	609.38 N	549.38 W	820.47@	317.96	0.93	108.25
5706.00	32.62	319.95	5486.01	5471.01	855.18	636.14 N	571.80 W	855.36@	318.05	1.38	108.25
5770.00	32.10	319.76	5540.07	5525.07	889.43	662.33 N	593.89 W	889.60@	318.12	0.83	111.87
5833.00	31.74	319.43	5593.55	5578.55	922.74	687.69 N	615.48 W	922.90@	318.17	0.64	111.87
5897.00	32.01	320.10	5647.89	5632.89	956.54	713.49 N	637.31 W	956.68@	318.23	0.70	111.87
5960.00	32.01	321.39	5701.32	5686.32	989.92	739.35 N	658.44 W	990.04@	318.31	1.09	111.87
6055.00	31.74	321.22	5781.99	5766.99	1040.05	778.51 N	689.80 W	1040.14@	318.46	0.30	111.87
6118.00	31.74	321.40	5835.57	5820.57	1073.17	804.37 N	710.52 W	1073.24@	318.55	0.15	111.87
6182.00	32.18	320.75	5889.87	5874.87	1107.03	830.73 N	731.80 W	1107.09@	318.62	0.87	111.87
6245.00	33.94	320.90	5942.67	5927.67	1141.38	857.37 N	753.51 W	1141.43@	318.69	2.80	111.87
6308.00	32.62	321.04	5995.33	5980.33	1175.93	884.22 N	775.28 W	1175.97@	318.76	2.10	111.87
6372.00	30.86	321.15	6049.76	6034.76	1209.58	910.42 N	796.42 W	1209.61@	318.82	2.75	111.87
6435.00	29.19	321.25	6104.30	6089.30	1241.09	934.99 N	816.18 W	1241.11@	318.88	2.65	111.87
6499.00	27.52	320.75	6160.62	6145.62	1271.47	958.61 N	835.30 W	1271.48@	318.93	2.64	111.87
6562.00	26.38	322.25	6216.78	6201.78	1299.99	980.95 N	853.08 W	1300.00@	318.99	2.11	115.48
6626.00	25.06	323.07	6274.44	6259.44	1327.72	1003.03 N	869.93 W	1327.72@	319.06	2.14	115.48
6689.00	23.83	324.66	6331.79	6316.79	1353.70	1024.08 N	885.31 W	1353.70@	319.16	2.21	115.48
6753.00	21.98	325.41	6390.74	6375.74	1378.48	1044.49 N	899.59 W	1378.48@	319.26	2.93	115.48
6816.00	19.87	326.66	6449.58	6434.58	1400.82	1063.14 N	912.17 W	1400.82@	319.37	3.42	115.48
6879.00	17.67	325.23	6509.23	6494.23	1420.95	1079.94 N	923.50 W	1420.96@	319.46	3.57	115.48
6942.00	15.30	322.90	6569.64	6554.64	1438.75	1094.42 N	933.97 W	1438.77@	319.52	3.90	115.48
7006.00	13.19	320.22	6631.67	6616.67	1454.48	1106.77 N	943.74 W	1454.51@	319.55	3.45	111.87
7038.00	11.52	316.87	6662.92	6647.92	1461.33	1111.91 N	948.26 W	1461.35@	319.54	5.68	111.87
7069.00	9.58	315.95	6693.40	6678.40	1467.00	1116.02 N	952.17 W	1467.02@	319.53	6.28	111.87
7101.00	9.15	317.05	6724.97	6709.97	1472.20	1119.80 N	955.76 W	1472.22@	319.52	1.46	111.87

PathFinder Energy Services, Inc.
Survey Report

YATES PETROLEUM
QUANDRY BJQ FED COM #1
EDDY COUNTY, NEW MEXICO
RIG:PATTERSON 78

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Subsea Depth (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)	(ft)	Closure Dist (ft)	Dir (deg)	DLS (dg/100ft)	TEMP (F)
7133.00	8.18	321.82	6756.61	6741.61	1477.01	1123.45 N	958.90 W	1477.03@	319.52	3.77	111.87
7164.00	7.47	329.81	6787.32	6772.32	1481.20	1126.93 N	961.27 W	1481.22@	319.54	4.19	111.87
7196.00	5.10	334.35	6819.12	6804.12	1484.62	1130.01 N	962.94 W	1484.64@	319.56	7.56	111.87
7228.00	4.40	331.91	6851.01	6836.01	1487.19	1132.37 N	964.13 W	1487.22@	319.59	2.28	111.87
7260.00	3.43	331.31	6882.94	6867.94	1489.32	1134.30 N	965.17 W	1489.35@	319.61	3.03	111.87
7292.00	2.99	326.78	6914.89	6899.89	1491.08	1135.83 N	966.08 W	1491.12@	319.62	1.59	111.87
7323.00	1.67	315.84	6945.86	6930.86	1492.34	1136.83 N	966.84 W	1492.37@	319.62	4.47	115.48
7355.00	0.62	244.23	6977.86	6962.86	1492.85	1137.09 N	967.32 W	1492.88@	319.61	4.96	115.48
7387.00	1.85	169.19	7009.85	6994.85	1492.44	1136.51 N	967.38 W	1492.48@	319.60	5.60	115.48
7450.00	3.08	146.83	7072.79	7057.79	1489.88	1134.10 N	966.26 W	1489.91@	319.57	2.44	115.48
7514.00	2.73	139.42	7136.71	7121.71	1486.66	1131.50 N	964.33 W	1486.68@	319.56	0.80	119.09
7577.00	2.02	135.91	7199.66	7184.66	1484.05	1129.56 N	962.58 W	1484.07@	319.56	1.15	119.09
7641.00	1.23	126.60	7263.63	7248.63	1482.25	1128.34 N	961.25 W	1482.28@	319.57	1.30	0.00
7704.00	0.97	126.41	7326.62	7311.62	1481.07	1127.62 N	960.27 W	1481.10@	319.58	0.41	119.09
7768.00	0.97	119.91	7390.61	7375.61	1480.03	1127.03 N	959.37 W	1480.06@	319.59	0.17	119.09
7831.00	1.41	114.06	7453.59	7438.59	1478.83	1126.45 N	958.20 W	1478.86@	319.61	0.72	119.09
7863.00	1.06	128.82	7485.59	7470.59	1478.18	1126.10 N	957.61 W	1478.22@	319.62	1.47	119.09
STRAIGHT LINE PROJECTION TO BIT @ 7920' MD.											
7920.00	1.06	128.82	7542.58	7527.58	1477.14	1125.44 N	956.79 W	1477.18@	319.63	0.00	0.00

S C I E N T I F I C D R I L L I N G C O N T R O L S

KEEPER GYRO SURVEY

Directional Survey Report

for

YATES PETROLEUM

Well Number	:	QUANDRY BJQ FED COM NO.1
Well Location	:	EDDY COUNTY, NEW MEXICO
Job Number	:	32K010801
Location Latitude	:	32.501
Survey Date	:	1-6-08
S.D.C. Personnel	:	ANGEL GUEVARA
Length Units	:	Feet
North Reference	:	GRID North
Grid Correction	:	0.00 Degrees
Survey Depth Zero	:	RKB
Proposal Direction	:	319.22
Calculation Method	:	Minimum Curvature

Remarks : The INRUN Survey will be called definitive

S C I E N T I F I C D R I L L I N G C O N T R O L S

Inrun Survey
for
YATES PETROLEUM

Well No.: QUANDRY BIQ FED COM NO Date : 1-6-08
Job No. : 32K010801 GRID Proposal : 319.22

Depth (Feet)	T.V.D. (Feet)	V.S. (Feet)	Inc Deg.	Azimuth Deg.	Latitude (Feet)	Departure (Feet)	D-leg /100
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	100.00	0.44	0.52	331.11	0.40	-0.22	0.52
200.00	199.99	1.34	0.53	310.43	1.09	-0.79	0.19
300.00	299.99	2.25	0.52	308.91	1.68	-1.50	0.02
400.00	399.99	2.93	0.27	326.25	2.16	-1.98	0.27
500.00	499.99	3.50	0.39	324.95	2.63	-2.31	0.12
600.00	599.98	4.03	0.23	297.39	3.01	-2.68	0.21
700.00	699.98	4.23	0.09	789.36	3.17	-2.93	0.14
800.00	799.98	4.46	0.16	282.30	3.18	-3.14	0.07
900.00	899.98	4.69	0.13	318.97	3.29	-3.35	0.10
1000.00	999.98	4.91	0.16	281.31	3.41	-3.56	0.10
1100.00	1099.98	5.26	0.46	266.42	3.41	-4.10	0.31
1200.00	1199.98	5.74	0.39	272.00	3.40	-4.84	0.08
1300.00	1299.98	6.01	0.13	252.32	3.38	-5.29	0.27
1400.00	1399.98	6.27	0.26	298.31	3.45	-5.60	0.19
1500.00	1499.97	6.65	0.20	333.86	3.71	-5.88	0.15
1600.00	1599.97	7.09	0.31	317.82	4.07	-6.13	0.13
1700.00	1699.97	7.58	0.25	321.79	4.44	-6.45	0.06
1800.00	1799.97	8.10	0.37	300.41	4.78	-6.86	0.16
1900.00	1899.97	8.67	0.34	291.44	5.05	-7.47	0.06
2000.00	1999.97	9.26	0.41	294.49	5.30	-8.02	0.07
2100.00	2099.96	9.93	0.48	284.43	5.56	-8.75	0.10
2200.00	2199.96	10.75	0.77	275.15	5.72	-9.83	0.31
2300.00	2299.95	11.69	0.72	275.36	5.84	-11.12	0.05
2400.00	2399.94	12.62	0.80	272.11	5.93	-12.45	0.09
2500.00	2499.93	13.60	0.86	271.87	5.98	-13.89	0.06
2600.00	2599.92	14.64	0.86	274.68	6.06	-15.39	0.04
2700.00	2699.91	15.58	0.86	262.06	6.02	-16.88	0.19
2800.00	2799.90	16.48	0.90	267.62	5.88	-18.41	0.09
2900.00	2899.89	17.25	0.49	271.65	5.86	-19.62	0.41
3000.00	2999.88	17.92	0.59	275.43	5.92	-20.56	0.11
3100.00	3099.88	18.69	0.69	271.60	5.99	-21.68	0.11
3200.00	3199.87	19.35	0.61	257.07	5.89	-22.80	0.18
3300.00	3299.86	19.91	0.66	261.69	5.68	-23.89	0.07
3400.00	3399.86	20.49	0.62	259.86	5.51	-24.99	0.04
3500.00	3499.85	21.06	0.68	259.28	5.30	-26.10	0.06
3600.00	3599.84	21.75	0.70	269.37	5.18	-27.30	0.12
3620.00	3619.84	21.92	0.76	271.84	5.19	-27.55	0.34

The Horizontal Displacement (in Feet) at
Measured Depth 3620.00 is 28.04 in a Direction of 280.66 Degrees

KKIT 0222

PathFinder Energy Services, Inc.
Magnetic & Grid Calculations

#2 TT 0453
#1 TT 0281
HTC 2091
TCM 0900
BMS 5569
JTDAS 2147

YATES PETROLEUM
QUANDRY BJQ FED COM #1
EDDY COUNTY, NEW MEXICO
Rig:PATTERSON 78

Fri Jan 04 09:22:57 2008

Offshore 9029
Pax
SOB 23

Coordinates

Latitude:	**32.500524 N (32 deg. 30 min. 1.8853 sec.)**
Longitude:	**104.490092 W (-104 deg. 29 min. 24.3299 sec.)**
Elevation:	**3830.00 feet.**
Calculation Date:	**Jan/04/2008**

Magnetic Calculations

Model:	**IGRF2005**
Dip Angle:	**60.3732 degrees**
Total Magnetic Field:	**0.49041 gauss**
Magnetic Declination:	**8.419974 degrees**
Horizontal Intensity:	**0.242432 gauss**

* Use this value if the well is calculated based on True North

To Convert a Magnetic Dir. to a TRUE North Dir. Add 8.419974 Degs

Transverse Mercator Grid Calculations NAD83

Grid System:	**Transverse Mercator: new mexico east**
Ellipsoid:	**GRS80**
X:	**493010.1000 feet**
Y:	**545856.8000 feet**
True to Grid: (convergence)	**0.084228 degrees**
Magnetic to Grid:	**8.504201 degrees**

* Use this value if the well is calculated based on Grid North

To Convert a Magnetic Dir. to a GRID dir. Add 8.504201 Degs.