



For your records

An Operating Unit of Smith International, Inc.

DIRECTIONAL SURVEY REPORT

YATES PETROLEUM
PERDOMO BMP STATE COM #1H
EDDY COUNTY, NEW MEXICO

PREPARED BY: FRANCISCO SINISTERRA

Pathfinder Energy Services, Inc.
6213 W. Interstate 20 • Midland, TX • 79706
(432) 681-6000

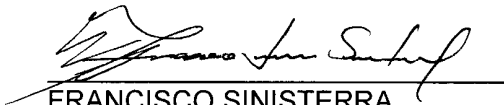
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DIRECTIONAL SURVEY COMPANY REPORT

1. NAME OF SURVEYING COMPANY PATHFINDER ENERGY SERVICES
2. NAME OF PERSON(S) PERFORMING SURVEY:
A) DEREK BOYD
3. POSITION OF SAID PERSON(S) (A-F) SURVEYORS (FIELD ENGINEERS)
4. DATE(S) ON WHICH SURVEY WAS PERFORMED. 05-13-10 TO 05-20-10
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
PERDOMO BMP STATE COM #1H
EDDY COUNTY, NM
RIG. PATRIOT 5
9. SURVEY CERTIFIED FROM: 853 TO 12738 FEET MEASURED DEPTH

THIS IS TO VERIFY THAT ATTACHED DOCUMENTS SHOWING THE WELL TO BE
DISPLACED AT 6769.51 FEET ON A BEARING OF 179.62 DEGREES FROM THE
CENTER OF THE ROTARY TABLE AT A PROJECTED BIT DEPTH OF 12797 FEET,
ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE


FRANCISCO SINISTERRA
MWD COORDINATOR

PathFinder Energy Services, Inc.

BHL Report

Page 01/01
Tie-In Date: 05/19/2010
Date Completed: 05/20/2010

YATES PETROLEUM CORPORATION

PERDOMO BMP STATE COM #1H

EDDY COUNTY, NM

Rig: PATRIOT #5

PathFinder Office Supervisor: FRANCISCO SINISTERRA

PathFinder Field Engineers: Derek Boyd
James Cloud

Survey Horiz. Reference: WELLHEAD

Ref Coordinates: LAT: 32.12.1.4925 N LON: 104.9.2.6375 W

GRID Reference: NAD83 new mexico east Transverse Mercator

Ref GRID Coord: X: 597818.1110 Y: 436693.0700

North Aligned To: GRID NORTH

Total Magnetic Correction: 7.88° EAST TO GRID

Vertical Section Plane: 179.66

Survey Vert. Reference: 24.50' Rotary Table To Ground

Altitude: 3149.00' Ground To MSL

Measured Depth	12797.00	(feet)
Inclination	91.28	(deg)
Azimuth	181.20	(deg)
True Vertical Depth	6219.11	(feet)
Vertical Section	6769.51	(feet)
Survey X cord	597863.49	(feet)
Survey Y cord	429923.71	(feet)
Survey Lat	32.18180602 N	(deg)
Survey Lon	104.15062309 W	(deg)
Rectangular Corr. N/S	6769.36 S	(feet)
Rectangular Corr. E/W	45.38 E	(feet)
Closure Distance	6769.51	(feet)
Direction of Closure	179.62	(deg)
Dogleg Severity	0.00	(deg/100ft)

PathFinder Energy Services, Inc.

Survey Report

YATES PETROLEUM CORPORATION
PERDOMO BMP STATE COM #1H
EDDY COUNTY, NM
Rig:PATRIOT #5
PathFinder Office Supervisor: FRANCISCO SINISTERRA
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Survey Horiz. Reference:WELLHEAD
Ref Coordinates: LAT:32.12.1.4925 N LON:104.9.2.6375 W
GRID Reference:NAD83 new mexico east Transverse Mercator
Ref GRID Coord: X: 597818.1110 Y: 436693.0700
North Aligned To:GRID NORTH
Total Magnetic Correction: 7.88° EAST TO GRID
Vertical Section Plane: 179.66
Survey Vert. Reference: 24.50' Rotary Table To Ground
Altitude:3149.00' Ground To MSL

Survey Calculations by RX5 V6.03A using Minimum Curvature

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist (ft)	Dir (deg)	DLS (dg/100ft)
TIE-IN TO GYROSCOPIC DIRECTIONAL SURVEY @ 800' MD.										
800.00	0.75	340.52	799.98	0.00	-2.36	2.35 N	1.38 W	2.73@	329.58	0.00
THE FOLLOWING ARE PATHFINDER ENERGY SERVICES MWD SURVEYS:										
853.00	0.97	352.84	852.97	53.00	-3.13	3.12 N	1.55 W	3.49@	333.57	0.54
1041.00	0.09	122.84	1040.97	188.00	-4.63	4.62 N	1.63 W	4.90@	340.62	0.55
1230.00	0.62	240.79	1229.96	189.00	-4.06	4.04 N	2.39 W	4.70@	329.36	0.35
1419.00	0.35	284.82	1418.96	189.00	-3.71	3.69 N	3.84 W	5.33@	313.83	0.23
1604.00	0.35	104.30	1603.95	185.00	-3.72	3.70 N	3.84 W	5.33@	313.88	0.38
1701.00	2.64	64.66	1700.92	97.00	-4.59	4.58 N	1.54 W	4.83@	341.45	2.45
1795.00	3.61	65.10	1794.78	94.00	-6.73	6.75 N	3.10 E	7.43@	24.70	1.03
1888.00	2.90	35.21	1887.63	93.00	-9.86	9.91 N	7.12 E	12.20@	35.70	1.95
1982.00	3.43	55.87	1981.49	94.00	-13.36	13.43 N	10.82 E	17.24@	38.85	1.33
2076.00	2.11	112.82	2075.39	94.00	-14.25	14.33 N	14.74 E	20.56@	45.80	3.07
2170.00	1.85	178.21	2169.35	94.00	-12.05	12.15 N	16.38 E	20.39@	53.45	2.29
2212.00	0.88	183.22	2211.34	42.00	-11.05	11.15 N	16.38 E	19.82@	55.77	2.32
2350.00	0.88	30.12	2349.33	138.00	-10.90	11.00 N	16.86 E	20.13@	56.86	1.24
2538.00	0.70	11.22	2537.31	188.00	-13.27	13.38 N	17.80 E	22.27@	53.08	0.17
2726.00	1.06	7.09	2725.29	188.00	-16.12	16.23 N	18.24 E	24.42@	48.34	0.19
2914.00	0.70	332.90	2913.27	188.00	-18.87	18.98 N	17.93 E	26.11@	43.38	0.33
3103.00	0.70	308.82	3102.26	189.00	-20.63	20.73 N	16.51 E	26.50@	38.53	0.15
3291.00	0.79	279.20	3290.24	188.00	-21.57	21.66 N	14.33 E	25.97@	33.50	0.21
3479.00	0.79	271.29	3478.22	188.00	-21.82	21.89 N	11.76 E	24.85@	28.24	0.06
3667.00	0.88	269.09	3666.20	188.00	-21.85	21.90 N	9.02 E	23.69@	22.39	0.05
3855.00	0.88	263.99	3854.18	188.00	-21.69	21.73 N	6.14 E	22.58@	15.78	0.04
4044.00	0.70	236.31	4043.16	189.00	-20.91	20.93 N	3.74 E	21.27@	10.12	0.22
4232.00	0.53	245.01	4231.15	188.00	-19.92	19.93 N	1.99 E	20.03@	5.71	0.10

PathFinder Energy Services, Inc.

Survey Report

YATES PETROLEUM CORPORATION
PERDOMO BMP STATE COM #1H
EDDY COUNTY, NM
RIG:PATRIOT #5

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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)
4421.00	1.14	174.96	4420.13	189.00	-17.68	17.69 N	1.37 E	17.74@	4.42	0.57
4608.00	1.85	192.45	4607.07	187.00	-12.88	12.89 N	0.88 E	12.92@	3.90	0.45
4796.00	0.35	215.21	4795.03	188.00	-9.46	9.45 N	0.11 W	9.46@	359.36	0.82
4984.00	0.44	224.18	4983.03	188.00	-8.47	8.47 N	0.94 W	8.52@	353.66	0.06
5173.00	0.62	234.73	5172.02	189.00	-7.37	7.36 N	2.28 W	7.70@	342.78	0.11
5360.00	0.79	231.83	5359.00	187.00	-6.00	5.98 N	4.12 W	7.26@	325.41	0.09
5548.00	0.79	221.63	5546.99	188.00	-4.24	4.21 N	6.00 W	7.33@	305.03	0.07
5736.00	0.97	207.83	5734.96	188.00	-1.88	1.83 N	7.60 W	7.82@	283.53	0.15
DEPART PILOT HOLE @ 5748' MD.										
5766.00	1.67	185.60	5764.96	30.00	-1.22	1.17 N	7.77 W	7.85@	278.57	2.85
5798.00	3.43	172.32	5796.92	32.00	0.20	0.24 S	7.68 W	7.69@	268.19	5.77
5829.00	7.56	168.10	5827.78	31.00	3.12	3.16 S	7.14 W	7.81@	246.14	13.38
5860.00	12.93	168.72	5858.27	31.00	8.52	8.56 S	6.04 W	10.47@	215.21	17.33
5892.00	18.91	169.60	5889.03	32.00	17.15	17.18 S	4.40 W	17.73@	194.37	18.70
5924.00	22.77	170.92	5918.93	32.00	28.38	28.40 S	2.49 W	28.51@	185.00	12.15
5955.00	25.68	171.71	5947.20	31.00	40.97	40.97 S	0.57 W	40.97@	180.80	9.44
5986.00	28.05	174.17	5974.85	31.00	54.88	54.87 S	1.14 E	54.88@	178.81	8.44
6017.00	31.66	177.24	6001.73	31.00	70.27	70.25 S	2.27 E	70.29@	178.15	12.64
6049.00	35.26	178.92	6028.43	32.00	87.90	87.88 S	2.85 E	87.93@	178.14	11.62
6080.00	38.60	179.62	6053.20	31.00	106.52	106.50 S	3.08 E	106.55@	178.34	10.86
6111.00	41.86	180.06	6076.87	31.00	126.54	126.52 S	3.14 E	126.56@	178.58	10.56
6143.00	45.64	180.23	6099.98	32.00	148.66	148.65 S	3.08 E	148.68@	178.81	11.82
6174.00	49.77	179.97	6120.84	31.00	171.59	171.57 S	3.04 E	171.60@	178.98	13.34
6205.00	54.34	179.71	6139.89	31.00	196.03	196.01 S	3.11 E	196.04@	179.09	14.76
6237.00	59.09	179.62	6157.45	32.00	222.77	222.76 S	3.27 E	222.78@	179.16	14.85
6268.00	63.31	180.59	6172.38	31.00	249.93	249.91 S	3.21 E	249.93@	179.26	13.89
6299.00	67.18	181.11	6185.36	31.00	278.07	278.06 S	2.79 E	278.07@	179.42	12.58
6331.00	70.26	181.55	6196.97	32.00	307.87	307.86 S	2.10 E	307.87@	179.61	9.71

PathFinder Energy Services, Inc.

Survey Report

YATES PETROLEUM CORPORATION
PERDOMO BMP STATE COM #1H
EDDY COUNTY, NM
RIG:PATRIOT #5

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Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular (ft)	Offsets (ft)	Closure Dist (ft)	Dir (deg)	DLS (dg/100ft)
6362.00	75.10	180.59	6206.20	31.00	337.45	337.44 S	1.55 E	337.45@	179.74	15.89
6394.00	80.72	179.27	6212.90	32.00	368.72	368.72 S	1.59 E	368.72@	179.75	18.02
6446.00	88.72	178.83	6217.68	52.00	420.46	420.45 S	2.45 E	420.46@	179.67	15.41
6540.00	88.37	180.06	6220.07	94.00	514.42	514.41 S	3.36 E	514.42@	179.63	1.36
6635.00	89.16	181.55	6222.11	95.00	609.38	609.38 S	2.03 E	609.38@	179.81	1.77
6729.00	90.31	181.11	6222.55	94.00	703.34	703.35 S	0.15 W	703.35@	180.01	1.31
6823.00	91.10	180.94	6221.39	94.00	797.30	797.33 S	1.84 W	797.33@	180.13	0.86
6917.00	90.75	180.85	6219.87	94.00	891.27	891.30 S	3.30 W	891.31@	180.21	0.38
7011.00	90.40	180.59	6218.93	94.00	985.25	985.29 S	4.48 W	985.30@	180.26	0.46
7105.00	89.87	180.59	6218.71	94.00	1079.23	1079.29 S	5.45 W	1079.30@	180.29	0.56
7199.00	89.69	179.27	6219.07	94.00	1173.23	1173.28 S	5.34 W	1173.29@	180.26	1.42
7294.00	88.99	179.00	6220.16	95.00	1268.22	1268.27 S	3.90 W	1268.27@	180.18	0.79
7388.00	89.25	179.53	6221.61	94.00	1362.21	1362.25 S	2.70 W	1362.25@	180.11	0.63
7482.00	89.96	179.88	6222.26	94.00	1456.20	1456.24 S	2.21 W	1456.24@	180.09	0.84
7575.00	90.92	180.94	6221.54	93.00	1549.19	1549.23 S	2.88 W	1549.24@	180.11	1.54
7670.00	90.57	181.20	6220.31	95.00	1644.15	1644.21 S	4.65 W	1644.22@	180.16	0.46
7764.00	90.13	181.55	6219.73	94.00	1738.11	1738.18 S	6.91 W	1738.19@	180.23	0.60
7858.00	90.84	180.59	6218.94	94.00	1832.08	1832.16 S	8.66 W	1832.18@	180.27	1.27
7952.00	90.75	180.85	6217.63	94.00	1926.05	1926.14 S	9.85 W	1926.17@	180.29	0.29
8045.00	90.40	180.41	6216.70	93.00	2019.03	2019.13 S	10.87 W	2019.16@	180.31	0.60
8140.00	90.66	178.74	6215.82	95.00	2114.02	2114.12 S	10.16 W	2114.15@	180.28	1.78
8235.00	90.22	179.09	6215.09	95.00	2209.01	2209.10 S	8.36 W	2209.12@	180.22	0.59
8328.00	89.87	178.56	6215.02	93.00	2302.00	2302.08 S	6.46 W	2302.09@	180.16	0.68
8422.00	89.69	178.48	6215.38	94.00	2395.98	2396.05 S	4.03 W	2396.05@	180.10	0.21
8517.00	89.52	179.44	6216.03	95.00	2490.97	2491.03 S	2.31 W	2491.03@	180.05	1.03
8611.00	89.96	180.67	6216.46	94.00	2584.97	2585.03 S	2.40 W	2585.03@	180.05	1.39
8705.00	89.52	178.83	6216.89	94.00	2678.96	2679.02 S	1.99 W	2679.02@	180.04	2.01
8799.00	89.16	178.83	6217.97	94.00	2772.95	2772.99 S	0.07 W	2772.99@	180.00	0.38

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Survey Report

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EDDY COUNTY, NM
RIG:PATRIOT #5

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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)
8892.00	89.69	177.86	6218.90	93.00	2865.91	2865.95 S	2.62 E	2865.95@	179.95	1.19
8986.00	91.01	178.21	6218.33	94.00	2959.87	2959.89 S	5.84 E	2959.90@	179.89	1.45
9081.00	91.01	177.86	6216.65	95.00	3054.82	3054.82 S	9.10 E	3054.83@	179.83	0.37
9175.00	91.19	178.21	6214.85	94.00	3148.76	3148.75 S	12.32 E	3148.77@	179.78	0.42
9269.00	90.40	179.09	6213.55	94.00	3242.74	3242.71 S	14.54 E	3242.74@	179.74	1.26
9363.00	90.31	178.74	6212.96	94.00	3336.73	3336.69 S	16.32 E	3336.73@	179.72	0.38
9456.00	89.78	178.92	6212.89	93.00	3429.72	3429.67 S	18.22 E	3429.72@	179.70	0.60
9550.00	89.34	179.62	6213.61	94.00	3523.71	3523.66 S	19.41 E	3523.71@	179.68	0.88
9644.00	89.08	179.97	6214.91	94.00	3617.70	3617.65 S	19.75 E	3617.70@	179.69	0.46
9738.00	91.01	180.32	6214.83	94.00	3711.70	3711.65 S	19.51 E	3711.70@	179.70	2.09
9832.00	90.75	180.32	6213.39	94.00	3805.68	3805.63 S	18.99 E	3805.68@	179.71	0.28
9927.00	90.13	179.97	6212.66	95.00	3900.67	3900.63 S	18.75 E	3900.67@	179.72	0.75
10021.00	90.75	180.67	6211.94	94.00	3994.66	3994.62 S	18.22 E	3994.67@	179.74	0.99
10116.00	89.34	179.71	6211.86	95.00	4089.65	4089.62 S	17.91 E	4089.66@	179.75	1.80
10209.00	88.90	179.79	6213.29	93.00	4182.64	4182.61 S	18.31 E	4182.65@	179.75	0.48
10303.00	88.64	179.79	6215.31	94.00	4276.62	4276.59 S	18.66 E	4276.63@	179.75	0.28
10397.00	88.81	179.88	6217.40	94.00	4370.60	4370.56 S	18.93 E	4370.60@	179.75	0.20
10491.00	88.90	180.50	6219.28	94.00	4464.57	4464.54 S	18.62 E	4464.58@	179.76	0.67
10586.00	88.02	180.85	6221.83	95.00	4559.52	4559.50 S	17.50 E	4559.53@	179.78	1.00
10680.00	89.16	180.41	6224.15	94.00	4653.48	4653.46 S	16.46 E	4653.49@	179.80	1.30
10774.00	90.57	180.94	6224.37	94.00	4747.46	4747.46 S	15.36 E	4747.48@	179.81	1.60
10868.00	92.33	179.27	6221.99	94.00	4841.42	4841.42 S	15.18 E	4841.44@	179.82	2.58
10962.00	92.15	179.62	6218.32	94.00	4935.35	4935.34 S	16.09 E	4935.37@	179.81	0.42
11056.00	92.33	179.62	6214.64	94.00	5029.28	5029.27 S	16.72 E	5029.29@	179.81	0.19
11150.00	91.80	179.27	6211.25	94.00	5123.22	5123.20 S	17.63 E	5123.23@	179.80	0.68
11254.00	90.66	179.44	6209.02	104.00	5227.19	5227.17 S	18.80 E	5227.20@	179.79	1.11
11348.00	90.48	178.92	6208.09	94.00	5321.18	5321.15 S	20.14 E	5321.19@	179.78	0.59
11443.00	88.90	178.04	6208.60	95.00	5416.15	5416.12 S	22.66 E	5416.16@	179.76	1.90

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Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets		Closure Dist Dir		DLS
						(ft)	(ft)	(ft)	(deg)	(dg/100ft)
11537.00	89.34	177.86	6210.04	94.00	5510.10	5510.04 S	26.02 E	5510.11@	179.73	0.51
11630.00	88.29	178.30	6211.97	93.00	5603.04	5602.97 S	29.14 E	5603.05@	179.70	1.22
11724.00	88.72	178.39	6214.42	94.00	5696.99	5696.90 S	31.85 E	5696.99@	179.68	0.47
11818.00	88.81	177.95	6216.45	94.00	5790.93	5790.83 S	34.85 E	5790.93@	179.66	0.48
11913.00	88.72	178.48	6218.49	95.00	5885.88	5885.76 S	37.81 E	5885.88@	179.63	0.57
12007.00	87.76	177.33	6221.38	94.00	5979.79	5979.65 S	41.25 E	5979.79@	179.60	1.59
12101.00	89.43	177.42	6223.69	94.00	6073.68	6073.52 S	45.55 E	6073.69@	179.57	1.78
12195.00	90.75	180.50	6223.54	94.00	6167.66	6167.49 S	47.26 E	6167.67@	179.56	3.56
12289.00	91.45	181.29	6221.73	94.00	6261.62	6261.46 S	45.79 E	6261.63@	179.58	1.12
12383.00	90.04	179.62	6220.51	94.00	6355.60	6355.44 S	45.04 E	6355.60@	179.59	2.33
12477.00	89.43	178.74	6220.95	94.00	6449.59	6449.43 S	46.39 E	6449.60@	179.59	1.14
12571.00	89.60	179.27	6221.74	94.00	6543.58	6543.42 S	48.02 E	6543.59@	179.58	0.59
12665.00	90.57	180.85	6221.60	94.00	6637.58	6637.41 S	47.92 E	6637.58@	179.59	1.97
12738.00	91.28	181.20	6220.42	73.00	6710.55	6710.39 S	46.62 E	6710.55@	179.60	1.08
STRAIGHT-LINE PROJECTION TO BIT @ 12797' MD.										
12797.00	91.28	181.20	6219.11	59.00	6769.51	6769.36 S	45.38 E	6769.51@	179.62	0.00