

NM2 - _____ 20_____

**CLOSURE
PLAN
and
APPROVAL**

October 2013

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



October 10, 2013

Mr. Jeremy Haass
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210-2118

**Re: Closure and Post-Closure Care Plan Review
Yates Petroleum Corporation
Permit NM2-020 Centralized Surface Waste Management Facility
Location: Unit p of Section 7, Township 19 South, Range 25 East and Sections 14-16,
Township 18 South, Range 25 East, NMPM, Eddy County, New Mexico**

Dear Mr. Haass:

The Oil Conservation Division (OCD) has received Yates Petroleum Corporation's (Yates) closure and post-closure care plan, dated October 1, 2013 and received by OCD on October 3, 2013, for the closure of the produced water treatment project at Yates' centralized surface waste management facility. OCD has reviewed the proposed closure plan and has determined that it satisfies the regulatory requirements of 19.15.36 NMAC and the closure conditions specified in Permit NM2-020.

Based on the information provided in the request, the closure and post-closure care plan is hereby approved with the following understandings and conditions:

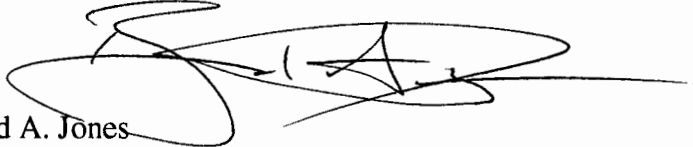
1. Yates shall comply with all applicable requirements of the Oil and Gas Act (Chapter 70, Article 2 NMSA 1978), and all conditions specified in this approval and shall close the project in accordance with the October 1, 2013 closure and post-closure care plan;
2. Yates shall maintain the re-vegetation cover through two successive growing seasons during the post-closure care period; and
3. Yates shall submit a closure report which summarizes and documents the completed closure and post-closure care activities with the request to release financial assurance.

Please be advised that approval of this request does not relieve Yates of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve Yates of its responsibility to comply with any other applicable governmental authority's rules and regulations.

Yates Petroleum Corporation
NM2-020
October 10, 2013
Page 2 of 2

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3487 or brad.a.jones@state.nm.us.

Sincerely,

A handwritten signature in black ink, appearing to be 'Brad A. Jones', written over a horizontal line.

Brad A. Jones
Environmental Engineer

BAJ/baj

Cc: OCD District II Office, Artesia

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986

S.P. YATES
1914-2008



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (575) 748-1471

JOHN A. YATES
CHAIRMAN OF THE BOARD

JOHN A. YATES JR.
PRESIDENT

JOHN D. PERINI
EXECUTIVE V.P. OF MONETIZATION
CHIEF FINANCIAL OFFICER

JAMES S. BROWN
CHIEF OPERATING OFFICER

RECEIVED
2013-10-01 1:37

October 1, 2013

Mr. Brad Jones
Oil Conservation Division
Environmental Bureau
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: OCD Rule 711 Permit NM-02-020
 Yates Petroleum Corporation
 Centralized Surface Waste Management Facility
 SE/4 SE/4 Section 7, Township 19 South, Range 25 East, and
 Sections 14, 15 and 16, Township 18 South, Range 25 East, N.M.P.M.,
 Eddy County, New Mexico

Dear Mr. Jones

Yates Petroleum Corporation (Yates) respectfully submits the following revised closure plan and request for closure approval for the above mentioned facility and permit. Please see the attached facility diagram (Figure 1.1).

BACKGROUND INFORMATION

Permit NM-02-020 was approved by OCD Director Lori Wrotenbery on November 25, 2002. The project was divided into three phases in the permit. Yates did not complete Phase 1, or initiate Phase 2 or 3. Due to the unsuccessful ability to treat produced water as proposed in the permit application, the decision was made to close the facility in 2004. No produced water and/or treated water ever left the facility, therefore minimizing any risk to environmental or public health and safety.

As part of the facility shutdown process, small amounts of fresh water were placed in any empty tanks to prevent wind displacement. At this time, Jerry Fanning, who was the project manager, verbally alerted NMOCD of the facility closure, but no formal closure letter was submitted. The facility has set in this condition since operations were shut down in 2004.

Recently, maintenance work was performed at the facility to prepare for NMOCD closure measures. The following items have been completed:

- Weed control and general cleanup from inactivity.

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

- Structural safety of the facility was evaluated. One steel tank was failing and had to be removed for safety reasons. The tank was part of the catwalk support. Therefore, as a precautionary measure, the tank was removed from the location and a new structural support for the ladder was welded for safe access to the remaining tanks.
- Several of the tanks at the facility had sediment in the bottom from the treatment trials and years of inactivity. Yates evaluated the sediment for Naturally Occurring Radioactive Material (NORM) with in-house probes and found that the sediment did include NORM. Yates contacted 3 companies specializing in NORM disposal and each company helped direct Yates in proper disposal procedures.
- Yates contracted EnviroKlean Products Development, Inc. (EPDI) to manage this process, which included all tanks, lines and filters. Please see the attached permits (Appendix A) and reports (Appendix B) EPDI has provided concerning the NORM disposal.

Yates Petroleum requests approval to proceed with the following closure plan. Please see the attached estimated schedule for closure (Appendix E). Upon receiving approval from NMOCD for closure, the plan will be implemented immediately. During closure operations Yates will maintain the surface waste management facility to protect fresh water, public health, safety and the environment as required by NMAC 19.15.36.18.A5.

CLOSURE PLAN

Facility Dismantling

- Yates will remove all tanks, lines and other treatment equipment from the location per NMAC 19.15.36.18.D1A. As previously stated, this equipment has been cleaned and made ready for transport or disposal.
- All tanks from the treatment facility will be purchased by a third party. Full disclosure has been made of previous NORM containment. The tanks were cleaned to levels permissible for transport and re-use. Please see the attached reports from EPDI for verification (Appendix B).
- PVC lines at the facility will be disposed of at Sandpoint Landfill, Carlsbad, NM. Please see the attached Solid Waste Facility Permit (Appendix B). Steel lines will be sent to a recycling center. All lines were cleaned to levels permissible for transport and disposal. Please see the attached reports from EPDI for verification (Appendix B).
- The filters used in the treatment process will be purchased by a third party. Full disclosure has been made of previous NORM containment. The filters were cleaned to levels permissible for transport and re-use. Please see the attached reports from EPDI, shown as tanks #10 and #11, for verification (Appendix B). All lines leading from the treatment facility to the Roy SWD #1 facility will be removed and/or permanently capped.

- The existing five (5) monitoring wells (MW-1, MW-2, MW-3, MW-4 and MW-5) mentioned in Permit NM-02-020 as part of Phase II monitoring still exist, although they were never utilized. The landowner is Yates' 4-Dinkus Ranch. Yates has visited the well sites with the ranch manager. Please see the attached map and pictures of the monitor wells (Appendix C). Yates will be evaluating the wells for potential plugging or for maintaining as a company asset for future projects.

Yates has contacted the Office of the State Engineer (OSE) regarding the monitor wells. OSE verified that Yates does not have to permit these wells, since they were drilled prior to the requirement to permit monitor wells (Appendix C).

- Once the equipment is removed, one (1) composite soil sample will be collected from each sampling quadrant at a depth of 1'. The site has been divided into 6 sampling quadrants across the facility. Background samples will be collected as well for comparison. The site will be sampled in accordance with the procedures specified in chapter nine of EPA publication SW-846 test methods for evaluating solid waste, physical/chemical methods for BTEX, TPH, major cations and anions and RCRA metals per NMAC 19.15.36.18 D1B. Please see the attached gridded plat of proposed sampling locations (Figure 1.2).
- Sample results will be submitted to the Environmental Bureau in the Division's Santa Fe office per NMAC 19.15.36.18 D1C. Any exceedances will be addressed per NMAC 19.15.29 and/or NMAC 19.15.30.

POST-CLOSURE PLAN

- Upon NMOCD approval to proceed with reclamation, the area will be contoured and seeded with native grasses per the permit requirements with a seed mixture already specified by the land owner (Appendix D). Yates will monitor the site until establishment of vegetative cover is equal to 70 percent of the native perennial vegetative cover or scientifically documented ecological description consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintenance of that cover through two successive growing seasons, per NMAC 19.15.36.18 A6.
- Yates will then request release from permit NM-02-020 and the associated financial assurance. A full report of all the activities above will be submitted with the request for release.

We have attempted to provide adequate information in this revised closure plan. If additional information is required, Yates would appreciate a detailed description listing what information is lacking. We appreciate the time and effort on the State's behalf that is necessary to release this permit and return the site to its natural landscape. If you have any questions or concerns, please feel free to contact me by phone or email at 575-748-4311 or jhaass@yatespetroleum.com .

Sincerely,



Jeremy Haass
NM Air Permitting Specialist

Appendix A

Permits for NORM Disposal

EPDI, Inc.



SUSAN MARTINEZ
Governor

JOHN SANCHEZ
Lieutenant Governor

State of New Mexico

ENVIRONMENT DEPARTMENT

Environmental Protection Division

Radiation Control Bureau

Montoya Building

1100 St. Francis Drive

P.O. Box 5469

Santa Fe, New Mexico 87502-5469

Telephone number: (505) 476-8600

Fax number: (505) 476-8654

www.nmenv.state.nm.us/nmr/b/home.html



RYAN FLYNN
Secretary-Designate

BUTCH TONGATE
Deputy Secretary

MARY ROSE
Acting Director

Thursday, June 06, 2013

Steven M. Vanasse,
EnvironKlean Product Development, Inc. dba EPDI
9227 Thomasville Dr.
Houston, TX 77064

SUBJECT: NOTICE OF RECIPROCAL RECOGNITION OF LICENSE IN NEW MEXICO FOR 2011

License Number: L063050

Issuing Agency: Texas

License Expiration Date: Monday, August 31, 2020

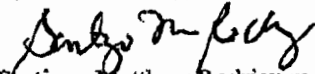
Thank you for your request for reciprocity. In accordance with your request and pursuant to New Mexico Radiation Protection Regulation (NMRPR) Section 324., you are hereby authorized to possess and utilize radioactive sources at temporary job sites within the State of New Mexico. Reciprocity is granted on a year to year basis. This authorization is void after December 31, 2013, or when activities have exceeded 180 days in the calendar year, whichever occurs first.

You are required to notify the Department in writing at least three (3) days prior to each use of radioactive material in New Mexico. Further, you must notify the Department within one (1) hour after arrival at the actual work location within the State, and notify the Department within one (1) hour after any change in work location within the State. Please note that you may be subject to a routine field inspection at anytime.

Special Conditions: The following must be in the possession of the users at the work site: (1) A copy of this letter; (2) a complete copy of the New Mexico Radiation Protection Regulations or the applicable sections, which can be downloaded from the State website at www.nmenv.state.nm.us/nmr/b/home.html; (3) a copy of the Radioactive Materials License; (4) a complete inventory of sources brought into the State; (5) pertinent U.S. DOT documents; (6) records of current leak tests for sealed sources brought into the State; (7) records of current instrument calibration(s); and (8) personnel training records.

If I can be of assistance, you may contact me at (505) 476-8601 or fax (505) 476-8654.

For the New Mexico Environment Department –


Santiago Matthew Rodriguez
Radiation Specialist

324. RECIPROCAL RECOGNITION OF LICENSES.

A. Subject to these regulations, any person who holds a specific license from the U.S. Nuclear Regulatory Commission or an Agreement State, and issued by the regulatory authority having jurisdiction where the licensee maintains an office for directing the licensed activity and at which radiation safety records are normally maintained, is hereby granted a general license to conduct the activities authorized in such licensing document within this State for a period not in excess of 180 days in any calendar year provided that:

1. the licensing document does not limit the activity authorized by such document to specified installations or locations;
2. the out-of-state licensee notifies the Department in writing at least three working days prior to engaging in such activity. Such notification shall indicate the location, period, and type of proposed possession and use within the State, and shall be accompanied by a copy of the pertinent licensing document. If, for a specific case, the three-day period would impose an undue hardship on the out-of-state licensee, he may, upon application to the Department, obtain permission to proceed sooner. The Department may waive the requirements for filing additional written notifications during the calendar year following the receipt of the initial notification from a person engaging in activities under the general license provided in Paragraph 324;
3. the out-of-state licensee complies with all applicable provisions of these regulations and with all the terms and conditions of his licensing document, except any such terms and conditions which may be inconsistent with these applicable regulations;
4. the out-of-state licensee supplies such other information as the Department may request; and
5. the out-of-state licensee shall not transfer or dispose of radioactive material possessed or used under the general license provided in this section except by transfer to a person:
 - a. specifically licensed by the Department or by the U.S. Nuclear Regulatory Commission to receive such material; or
 - b. exempt from the requirements for a license for such material under Paragraph 302 A.

B. Notwithstanding the provisions of Paragraph 324 A, any person who holds a specific license issued by the U.S. Nuclear Regulatory Commission or an Agreement State authorizing the holder to manufacture, transfer, install, or service a device described in Paragraph 305 B 1 within areas subject to the jurisdiction of the licensing body is hereby granted a general license to install, transfer, demonstrate or service such a device in this state provided that:



1. such person shall file a report with the Department within 30 days after the end of each calendar quarter in which any device is transferred to or installed in this state. Each such report shall identify each general license to whom such device is transferred by name and address, the type of device transferred, and the quantity and type of radioactive material contained in the device;
 2. the device has been manufactured, labeled, installed, and serviced in accordance with applicable provisions of the specific license issued to such person by the U.S. Nuclear Regulatory Commission or an Agreement State;
 3. such person shall assure that any labels required to be affixed in the device under regulations of the authority which licensed manufacture of the device bear a statement that "Removal of this label is prohibited"; and
 4. the holder of the specific license shall furnish to each general licensee to whom he transfers such device or on whose premises he installs such device a copy of the general license contained in Paragraph 305 B.
- C. The Department may withdraw, limit, or qualify its acceptance of any specific license or equivalent licensing document issued by another Department, or any product distributed pursuant to such licensing document, upon determining that such action is necessary in order to prevent undue hazard to public health and safety or property

END OF THIS PARAGRAPH



9227 Thomasville Dr
Houston, Texas 77064
Tel: 281.894.6500
Fax: 281.894.6504

July 2, 2013

New Mexico Environment Department
Environmental Health Division
Radiation Control Bureau
Attn: Santiago Rodriguez
Via facsimile transmission (505) 476-8654

Final Notification of Completion
NORM Decontamination Work under
License Number L06350 Condition 16
and New Mexico Reciprocal License
Withhold from Public Disclosure

RE: EnviroKlean Product Development, Inc. (EPDI) L06350 Final Jobsite Notification

EnviroKlean Product Development, Inc. (EPDI) conducted NORM decontamination activity at the Yates Petroleum Salt Water Disposal Unit at the Roy Salt Water Disposal Site located at North 32nd 40- 14.439 West 104th 31-03.39 for Yates Petroleum in Artesia, NM. EPDI completed work at the site on July 1, 2013. NORM Contaminated Material remains left in the possession of the customer on location.

- 1) Customer Name: Yates Petroleum
- 2) Customer Mailing Address: 105 S. 4th Street Artesia, NM 88210
- 3) Customer Telephone Number: (575) 748-1471
- 4) Quantity of Contaminated Material Generated as a Result of the Decontamination Process:
- 5) Disposition of Contaminated Material: Contaminated material was removed from above ground tanks and remains on location, stored in salt water disposal unit
- 6) Method (e.g., drums) of storage of Contaminated Material: Injection into salt water disposal unit.
- 7) Site Where Material is Stored: North 32nd 40- 14.439 West 104th 31-03.39 The closest city is Artesia, New Mexico.
- 8) Storage Conditions (e.g. metal shed, pallets on open ground, etc.): NORM extracted bulk waste, that remained after treatment, was injected back into Roy Salt Water Disposal Unit

Regards,

Steven M. Vanasse
Corporate Radiation Safety Officer

NMED-RADIATION CONTROL BUREAU (OCT 2008)

[Print Form](#)

RECIPROCAL RECOGNITION REQUEST LOCATION REPORT [3-DAY NOTIFICATION]

INSTRUCTIONS: Please complete this form as described in the instructions above. Completed forms **MUST** be received 72-hours **PRIOR** to initiating work.

SCHEDULED DATES OF WORK

Start Date Jun 10, 2013 End Date Jun 21, 2013 No. of days worked 9 Add Delete

LICENSEE INFORMATION

Notification Date Jun 5, 2013
 Licensee Name EnviroKlean Product Development, Inc. d/b/a EPDI
 Radioactive Materials License No. L06350
 Reciprocal License No. (if applicable)
 Issuing Agency Texas Department of State Health Services
 Contact Name Steven M. Vanasse
 Telephone No. 281 864-6500 Fax No. 281 894-6504
 e-mail address svanasse@epdi.biz

PREVIOUS NOTIFICATION

Yes No Is this a revision of a previous notification?

Provide the reason for late notification, if applicable

ATTACHMENTS REQUIRED

- Licensure Fee \$1,200
- A copy of your current license and/or summary, including all amendments.

CURRENT LICENSE TYPES

TYPE NORM Decommissioning
 TYPE
 TYPE
 TYPE

TYPE OF WORK TO BE PERFORMED

- | | | |
|--------------------------------------|--|--|
| <input type="checkbox"/> Pipeline | <input type="checkbox"/> Concrete / Foundation | <input type="checkbox"/> Lead Paint Analysis |
| <input type="checkbox"/> Fabrication | <input type="checkbox"/> Service and/or Repair | <input type="checkbox"/> Road Construction |
| <input type="checkbox"/> Medical | <input type="checkbox"/> Equipment or Source Install | <input type="checkbox"/> Tank |
| <input type="checkbox"/> Landfill | | |

If other, please list Decontaminate NORM in Tanks at S.W.D. site

EQUIPMENT

MAKE	MODEL	SERIAL NO.

ISOTOPEs (use chemical abbreviation)

ISOTOPE	ACTIVITY	SPECIFY UNITS
		<input type="checkbox"/> Ci <input type="checkbox"/> mCi
		<input type="checkbox"/> Ci <input type="checkbox"/> mCi
		<input type="checkbox"/> Ci <input type="checkbox"/> mCi

PERSONNEL/AUTHORIZED USERS

NAME	CELLULAR/PAGER #
Jaime Montoya	432 788-0867
Johnny Passaron	832 360-9996
Eddie Caruthers	214 991-6580

WORK LOCATION INFORMATION

Company Name Yates Petroleum
 Contact Name Jeremy Maass
 Telephone No. Mobile No. 575-748-4350
 e-mail address

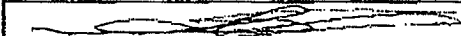
Enter the physical address and/or description of the work location

Directions to site: Out of Artesia, NM take Hwy. 285 South 19 miles to Rockin R Red Road, turn right and go due west for 7 miles and arrive at the cattle guard to the location

I THE UNDERSIGNED CERTIFY THAT:

- a. All information in this report is true and complete.
- b. I have read and understand the New Mexico Radiation Protection Regulations and that I am required to comply with these regulations under the reciprocal recognition for which this report has been filed with the New Mexico Environment Department.
- c. I understand that activities, including storage, conducted under this recognition are limited to a total of 180-days in a calendar year.

Signature Required



Date Jun 5, 2013

ENVIROKLEAN PRODUCT DEVELOPMENT 09-09
9227 THOMASVILLE DR.
HOUSTON, TX 77064

Bank of America
ACH R/T 111000025

3201
35-2/1130 TX
8757

6/6/2013

PAY TO THE ORDER OF **NMED Radiation Control Bureau**

\$1,200.00**

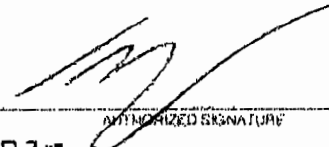
One Thousand Two Hundred and 00/100*****

DOLLARS 

NMED Radiation Control Bureau
P.O. BOX 5469
Santa Fe, NM 87502-5469

MEMO

Annual Reciprocal Recognition



AUTHORIZED SIGNATURE

⑈003201⑈ ⑆113000023⑆ 586017692093⑈

ENVIROKLEAN PRODUCT DEVELOPMENT

3201

NMED Radiation Control Bureau

6/6/2013

1,200.00

Bank of America Chec Annual Reciprocal Recognition

1,200.00

ENVIROKLEAN PRODUCT DEVELOPMENT

3201

NMED Radiation Control Bureau

6/6/2013

1,200.00

Bank of America Chec Annual Reciprocal Recognition

1,200.00

122 2873

111894-6504

77664

rd Bureau

211

87502-5469
87505

no pouch needed.
on back.



17571 STATE HIGHWAY 249
HOUSTON, TX 77064

Location: ALEKK
Device ID: ALEKK-POS1
Employee: 1788238
Transaction: 78087617206

PRIORITY OVERNIGHT
801961222873 0.15 lb (S) 34.93

Scheduled Delivery Date 08/07/2013

Shipment subtotal: 34.93

Total Due: 34.93

(V) CreditCard: 34.93

*****4156

M = Weight entered manually

S = Weight read from scale

T = Taxable item

Subject to additional charges. See FedEx Service Guide
: fedex.com for details. All merchandise sales final.

Visit us at: fedex.com
Or call 1.800.GoFedEx
1.800.463.3339

June 6, 2013 11:00:13 AM

NOTE: Services and fees changed. Please refer to the FedEx Service Guide for details.

Next Business Day

FedEx First Overnight
Earliest next business morning delivery to select locations. Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.

FedEx Priority Overnight
Earliest business morning. Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.

FedEx Standard Overnight
Next business morning. Saturday Delivery NOT available.

2 or 3 business days

FedEx 2Day A.M.
Second business morning. Saturday Delivery NOT available.

FedEx 2Day
Second business morning. Thursday shipments will be delivered on Friday unless SATURDAY Delivery is selected.

FedEx Express Saver
Third business day. Saturday Delivery NOT available.

5 Packaging - Declared value restrictions

FedEx Envelope* FedEx Pak* FedEx Box FedEx Tube Other

6 Special Handling and Delivery Signature Options

SATURDAY Delivery
NOT available for FedEx Standard Overnight, FedEx 2Day A.M., or FedEx Express Saver.

No Signature Required
Shipper may be held liable for delivery without a signature for delivery.

Direct Signature
Someone at recipient's address may sign for delivery. Fee applies.

Indirect Signature
If no one is available at recipient's address, someone at a neighboring address may sign for delivery. Fee applies.

Does this shipment contain dangerous goods?

One box must be checked.

No Yes
See per attached Shipper's Declaration.

Yes
Shipper's Declaration not required.

Dry Ice
Dry Ice, UN 1845

Cargo Aircraft Only

Express goods (including dry ice) cannot be shipped in Priority packaging or placed in a FedEx Express Drop Box.

7 Payment Bill to:

Enter FedEx Acct. No. or Credit Card No. below.

Sender Acct. No. in Section 1 will be used. Recipient Third Party Credit Card Cash/Check

Print Acct. No. Exp. Date

Total Packages Total Weight Total Declared Value

*Our liability is limited to US\$100 unless you declare a higher value. See back for details. By using the AHAH you agree to the service conditions on the back of this label and in the current FedEx Service Guide. Packaging terms for back our liability.

644

622 2873

Form 10 No. 0200

MON

Sender's Name Steven Vanusa Phone 281.894.6500

Company EPDE

Address 9327 Thomasville Dr

City Houston State TX ZIP 77064

2 Your Internal Billing Reference

To Recipient's Name Kurtzgo Rodriguez Phone ()

Company NMCD Radiation Control Bureau

Address P.O. Box 5469

Address 1100 St Francis Dr Ste 1211

City Santa Fe State NM ZIP 87502-5469
87505

4 Express Package Service * To most locations. Packages up to 150 lbs. Per package over 20 lbs, use the outer FedEx Express Freight US Address.

NOTE: Service order has changed. Please select carefully.

Next Business Day

FedEx First Overnight
Earliest next business morning delivery to select locations. Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.

FedEx Priority Overnight
Next business morning. Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.

FedEx Standard Overnight
Next business morning. Saturday Delivery NOT available.

2 or 3 Business Days

FedEx 2Day A.M.
Second business morning. Saturday Delivery NOT available.

FedEx 2Day
Second business afternoon. Thursday shipments will be delivered on Monday unless SATURDAY Delivery is selected.

FedEx Express Saver
Third business day. Sunday Delivery NOT available.

5 Packaging * Declared value limit \$500.

FedEx Envelope* FedEx Pak* FedEx Box FedEx Tube Other*

6 Special Handling and Delivery Signature Options

SATURDAY Delivery
NOT available for FedEx Standard Overnight, FedEx 2Day A.M., or FedEx Express Saver.

No Signature Required
Package may be left without obtaining a signature for delivery.

Direct Signature
Recipient at recipient's address may sign for delivery. Fee applies.

Indirect Signature
If no one is available at recipient's address, someone at a nearby location may sign for delivery. For residential deliveries only. Fee applies.

Does this shipment contain dangerous goods?
 No Yes (as per shipping label)
 Yes (Shopper's Declaration not required) Dry Ice (Dry Ice, UN 1845) Cargo Aircraft Only

7 Payment Bill to:

Enter FedEx Acct. No. or Credit Card No. below

Sender Acct. No. in Section 1 of this label Recipient Third Party Credit Card Cash/Check

FedEx Acct. No. or Credit Card No. Exp. Date

Total Packages Total Weight Total Declared Value*

_____ lb. \$ _____ 00

Your liability is limited to USD100 unless you declare a higher value. See back for details. By using this form you agree to the service conditions on the back of this Airbill and in the current FedEx Service Guide, including terms that limit our liability.

644

Easy new Peel-and-Stick airbill. No pouch needed.
Apply airbill directly to your package. See directions on back.

Visit us at: fedex.com
Or call 1.800.GoFedEx
1.800.463.3339

June 6, 2013 11:00:13 AM

Appendix B

NORM Analytical Data

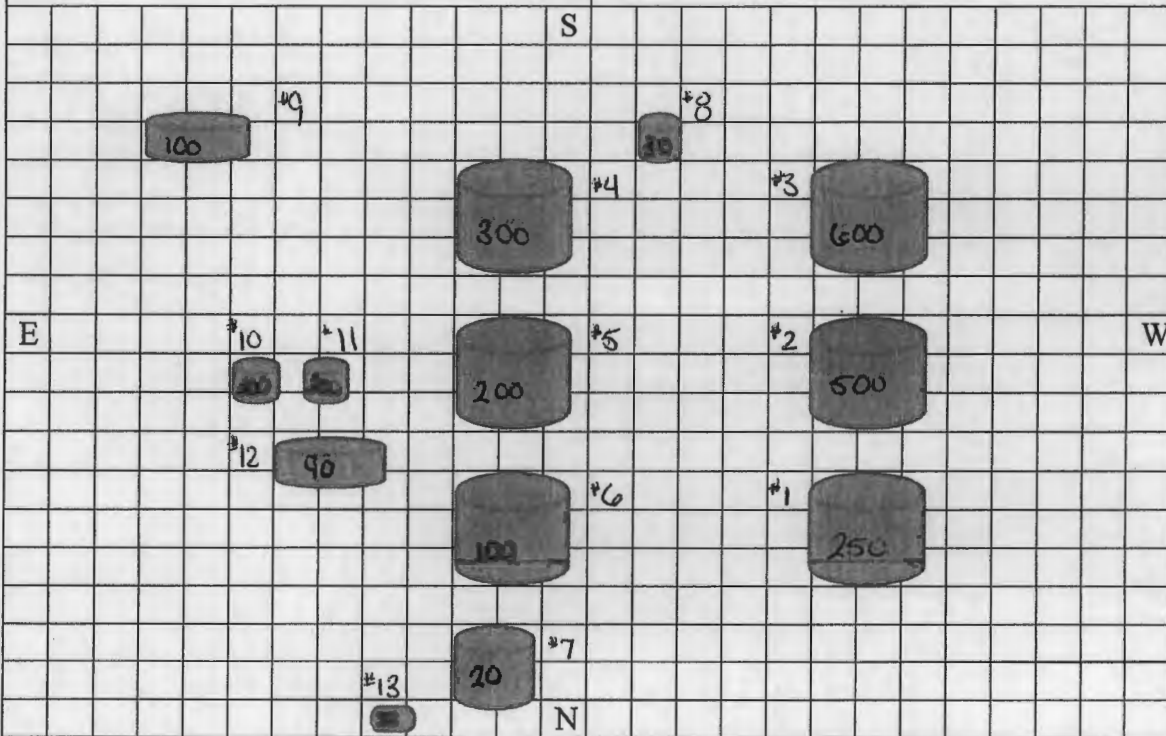
EPDI Disposal Manifests

Solid Waste Facility Permit

RADIATION SURVEY GRID

Pre Job: Post Job:

Survey Date: <u>June 13, 2013</u>	Client Location: <u>Roy SWD</u>
Ludlum Meter Serial #: <u>272407</u>	Survey Location & RRC# : <u>Roy SWD Water Project</u>
Meter Calibration Date: <u>2/22/13</u>	Background: <u>12 μ R/hr</u>



I hereby certify under penalty of law that I personally examined and am familiar with the information submitted in this document and all attachments and that, based on my personal inquiry of those individuals immediately responsible for obtaining the information, I hereby represent in writing that the information contained within is true, accurate, and complete to the best of my knowledge, information, and belief. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment, or both.

Print Name: <u>Jaime Montoya</u>	Title: <u>RSO</u>
Signature:	Date: <u>June 13, 2013</u>

BM= Boundary Meter PM= Personal Meter
■ = 5ft. All reading are in uR/hr.

RADIATION SURVEY GRID

Pre Job: Post Job:

Survey Date: <u>June 28, 2013</u>	Client Location: <u>Roy SWD</u>
Ludlum Meter Serial #: <u>272407</u>	Survey Location & RRC# : <u>Roy SWD Water Project</u>
Meter Calibration Date: <u>2/22/13</u>	Background: <u>12 µ R/hr</u>

S																	
#9	#15	#8															
#4	#3	#5	#10	#11	#40	#35	#2	#35	Stackpile of lines 35						#1	#45	W
#12	#18	#14	#35	#6	#30	#1	#30										
#13	#7	#20											N				

I hereby certify under penalty of law that I personally examined and am familiar with the information submitted in this document and all attachments and that, based on my personal inquiry of those individuals immediately responsible for obtaining the information, I hereby represent in writing that the information contained within is true, accurate, and complete to the best of my knowledge, information, and belief. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment, or both.

Print Name: Jaime Montoya

Title: RSO

Signature: Jaime

Date: June 28, 2013

BM= Boundary Meter PM= Personal Meter
■ = 5ft. All reading are in uR/hr.

Sheet 1 of 2

**Air Sample Results for Yates
Yates-Roy SWD Project for EPDI**

The Environmental Protection Agency (EPA) sets limits for the amount of radon allowed in the air for both the general public and workers of a company. The normal outside air should contain 0.2—0.7 pCi/L with the maximum allowed in the air at 4 pCi/L. The air samples were measured as alpha particles (radon gas), which were then converted into pCi/L. All the air samples measured were below the legal limits set by the EPA.

Radon	
Alpha Particle Activity in pCi/L	
06/13/2013	.16
06/14/2013	<. 10
06/18/2013	<. 10
06/19/2013	<.10

Yates-Roy SWD Measurements EPDI June 2013

Seven samples were taken from the Yates-Roy SWD job site and were measured on-site the EPDI gamma ray detector. Each sample was weighed on a battery operated electronic balance. As a quality control the same samples were also measured by the Nuclear Engineering Teaching Lab, University of Texas. The samples from both measurements are similar and within in normal statistical range. The results show that the first round of treatment was effective on lowering the amount of both radium-226 and radium 228. The volume of material was also reduced from 480 barrels to 291 barrels. 178 barrels were disposed of, down a Yates SWD well, and the 113 barrels were sent to an appropriate disposal for solids and analytical data per the rule below.

20.3.14.1403 EXEMPTIONS:

A. For release for unrestricted use, persons who receive, possess, use, process, transfer, distribute, transport, store or dispose of NORM are exempt from the requirements of these regulations if: the NORM present is at concentrations of 30 picocuries per gram or less of radium 226, above background, or 150 picocuries per gram or less of any other NORM radionuclide, above background, in soil, in 15 cm layers, averaged over 100 square meters. Samples should be taken if gamma radiation readings (mR/hr) are equal to or exceed twice background readings when surveyed at a distance of 1 cm from the surface of the soil, in accordance with Department guidelines.

B. The possession and use of natural gas and natural gas products and crude oil and crude oil products as fuels are exempt from the requirements of this Subpart [Part].

C. NORM not otherwise exempted and equipment from oil, gas, and water production containing NORM are exempt from the requirements of this Subpart if the maximum radiation exposure reading at any accessible point does not exceed 50 microroentgens per hour (mR/hr) (0.5 mSv/hr), including background radiation levels. Sludges and scales contained in oil, gas and water production equipment are exempt from the requirements of this Subpart if the maximum radiation exposure reading within 1 cm of the surface of the sludge or scale does not exceed 50 microroentgens per hour (50 mR/hr) (0.5 mSv/hr), including background radiation levels. If the radiation readings exceed 50 mR/hr (0.5 mSv/hr), removable sludges and scales are exempt from the requirements of these regulations if the concentration of Radium 226, in a representative sample, does not exceed 30 picocuries per gram.

The sample data shown here on page 2 is for the 178 barrels that were treated and disposed of down the Yates SWD wells.

Sample #1	Gamma Spectrometer	
	Ra 226 pCi/g	Ra-228 pCi/g
Before Treatment	434 ± 43	137± 14

Sample #2	Gamma Spectrometer	
	Ra 226 pCi/g	Ra-228 pCi/g
Background Soil	<1	<1

Sample #3	Gamma Spectrometer	
	Ra 226 pCi/g	Ra-228 pCi/g
1 st round of treatment	128± 13	35±3

Sample #4	Gamma Spectrometer	
	Ra 226 pCi/g	Ra-228 pCi/g
2 nd round of treatment	19± 8	29± 1

Page 3 shows the analytical data for the 2nd waste stream solids of 113 barrels taken to a solids disposal.

2nd waste stream delivered to solids disposal.

Sample #1	Gamma Spectrometer	
	Ra 226 pCi/g	Ra-228 pCi/g
Background Soil	<1	<1

Sample #2	Gamma Spectrometer	
	Ra 226 pCi/g	Ra-228 pCi/g
Composite	19± 8	29±1

Sample #3	Gamma Spectrometer	
	Ra 226 pCi/g	Ra-228 pCi/g
Composite	21± 8	31±2

NONHAZARDOUS SHIPPING MANIFEST

EPDI

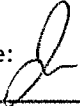
DATE: JUNE 28, 2013

9227 Thomasville Drive, Houston, T.X. 77064
Phone 281-894-6500 Fax 281-894-6504

1909 Garden City Hwy., Midland, T.X. 79701
Phone 432-683-0800 Fax 432-683-0803

Customer: Yates Petroleum
Location: Roy SWD Water Project

Ship to: Yates Donahue SWD

Delivery Signature: 

ORDER DATE	ORDER NUMBER	JOB
June 28, 2013	005	Roy SWD Project

ITEM #	DESCRIPTION	QUANTITY
005	Well treatment	13 bbls.

NONHAZARDOUS SHIPPING MANIFEST

EPDI

DATE: JUNE 27, 2013

9227 Thomasville Drive, Houston, T.X. 77064
Phone 281-894-6500 Fax 281-894-6504

1909 Garden City Hwy., Midland, T.X. 79701
Phone 432-683-0800 Fax 432-683-0803

Customer: Yates Petroleum
Location: Roy SWD Water Project

Ship to: Sundance Services

Delivery Signature: 

ORDER DATE	ORDER NUMBER	JOB
June 27, 2013	002	Roy SWD Project

ITEM #	DESCRIPTION	QUANTITY
002	1 vacuum box, NOW RCRA Exempt tank bottom material	50 bbls. 63 bbls

Correction made in volume delivered.

40 gal/hr.

**Yates-Roy SWD Associated Piping Release
EPDI June 2013**

The associated piping from the tanks remains on the location, under Yates Petroleum criteria for disposal. The piping meets the requirements for disposal at a New Mexico approved solids landfill. The piping has been triple rinsed and was allowed to dry onsite. The piping includes white pvc, grey pvc, and poly line of various dimensions. Readings were done on the piping and can be reviewed on the post survey in the report, section 2. The highest reading recorded at any accessible point in any line was 35 uR/hr, which is below any restricted limits.

A handwritten signature in black ink, appearing to read "James C. Meyer". The signature is written in a cursive style with a large initial "J" and a long, sweeping tail.



The New Mexico Environment Department

hereby issues this

SOLID WASTE FACILITY PERMIT

Facility Type: *Municipal Landfill*

Facility ID No: *SWM-080405*

Facility Name & Location:

Owner's Name & Address:


*Sand Point Landfill
12 Miles Northeast of Carlsbad, NM
1 Mile South of US Highway 62/180*

*City of Carlsbad and Eddy County
101 N. Halaqueno
Carlsbad, NM 88220*

Permit Expiration Date: *March 2, 2014*

This permit is issued pursuant to Section 74-9-20 of the Solid Waste Act and is subject to the conditions of the Order of the Secretary, dated March 2, 19 94.

Given this 20th day of December, 19 94.


Judith M. Espinosa
Secretary of Environment

Appendix C

Monitor Well Map and Pictures



MW-5

MW-2

MW-3

Four Dinkus Ranch House

MW-4

MW-1

© 2013 Google

Google earth

Imagery Date: 4/16/2013 32°44'41.51" N 104°28'33.43" W elev 3529 ft eye alt 18035 ft



MW-1
Groundwater Monitoring Well
Yates Petroleum Corporation
Latitude: 32.74081 Longitude: -104.45534



MW-2
Groundwater Monitoring Well
Yates Petroleum Corporation
Latitude: 32.74834 Longitude: -104.47883



MW-3
Groundwater Monitoring Well
Yates Petroleum Corporation
Latitude: 32.74764 Longitude: -104.46310



MW-4
Groundwater Monitoring Well
Yates Petroleum Corporation
Latitude: 32.74110 Longitude: -104.47297



MW-5
Groundwater Monitoring Well
Yates Petroleum Corporation
Latitude: 32.74934 Longitude: -104.49041

Katie Parker

From: Jeremy Haass
Sent: Tuesday, September 10, 2013 2:49 PM
To: Katie Parker
Subject: FW: Yates Petroleum Monitor Wells

See below

Jeremy Haass

New Mexico Air Permit Specialist
Yates Petroleum Corporation
Office: (575) 748-4311
Fax: (575) 748-4131
Cell: (575) 513-9235

From: Williams, Timothy B., OSE [<mailto:timothy.williams@state.nm.us>]
Sent: Tuesday, September 10, 2013 2:48 PM
To: Jeremy Haass
Subject: RE: Yates Petroleum Monitor Wells

Since these wells pre-existed the requirement of permitting for monitor wells they may remain in place. No additional permitting is required. If the wells are plugged for any reason in the future a well plugging plan form may be used to submit a record of the plugging.

Thanks

Tim Williams
Carlsbad Basin Watermaster
575-622-6521 ext. 144

From: Jeremy Haass [<mailto:jhaass@yatespetroleum.com>]
Sent: Tuesday, September 10, 2013 1:45 PM
To: Williams, Timothy B., OSE
Cc: Katie Parker
Subject: Yates Petroleum Monitor Wells

Mr. Williams,

Here is a list of the monitor wells we spoke about that Yates Petroleum would like to leave open. I am also including the Lat. and long. and dates they were drilled. As I told you over the phone these wells were drilled prior to the OSE requiring monitor wells to be permitted. All I need is clarification that Yates Petroleum is allowed to leave these wells in place without any further permitting or requirements from the OSE. Thank you very much for your time.

<u>Well Name</u>	<u>Lat./Long.</u>	<u>Date Drilled</u>
MW-1	32.74081/104.45534	02/04/1998

MW-2	32.74834/104.47883	02/05/1998
MW-3	32.74764/104.46310	02/05/1998
MW-4	32.74110/104.47297	02/06/1998
MW-5	32.74934/104.49041	02/06/1998

Jeremy Haass

New Mexico Air Permit Specialist

Yates Petroleum Corporation

Office: (575) 748-4311

Fax: (575) 748-4131

Cell: (575) 513-9235

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Appendix D

Howell Seeding Blend

Howell Ranch Seeding Blend

Plains Bristlegrass	1 lb/ac
Green Spangletop	2 lb/ac
Side Oats Gramma	5 lb/ac
Blue Gramma	2 lb/ac

Appendix E

Estimated Closure Schedule

Estimated Schedule of Closure Activities

OCD Rule 711 Permit NM-02-020

Closure Activity	Estimated Time to Complete Each Activity
Tanks Removed from Facility	2 Weeks
Piping Removed from Facility	2 Weeks
Other Treatment Equipment Removed from Facility	1 Week
Collect Composite Soil Samples	1 Day
Submit/Receive Soil Sample Results	2 Weeks
Reclaim Facility Site	2 Weeks
Monitor Vegetation Regrowth	At least 2 growing seasons (2 years)
Submit Final Report & Request Release	2 Weeks (After 70% Vegetative Cover Established)

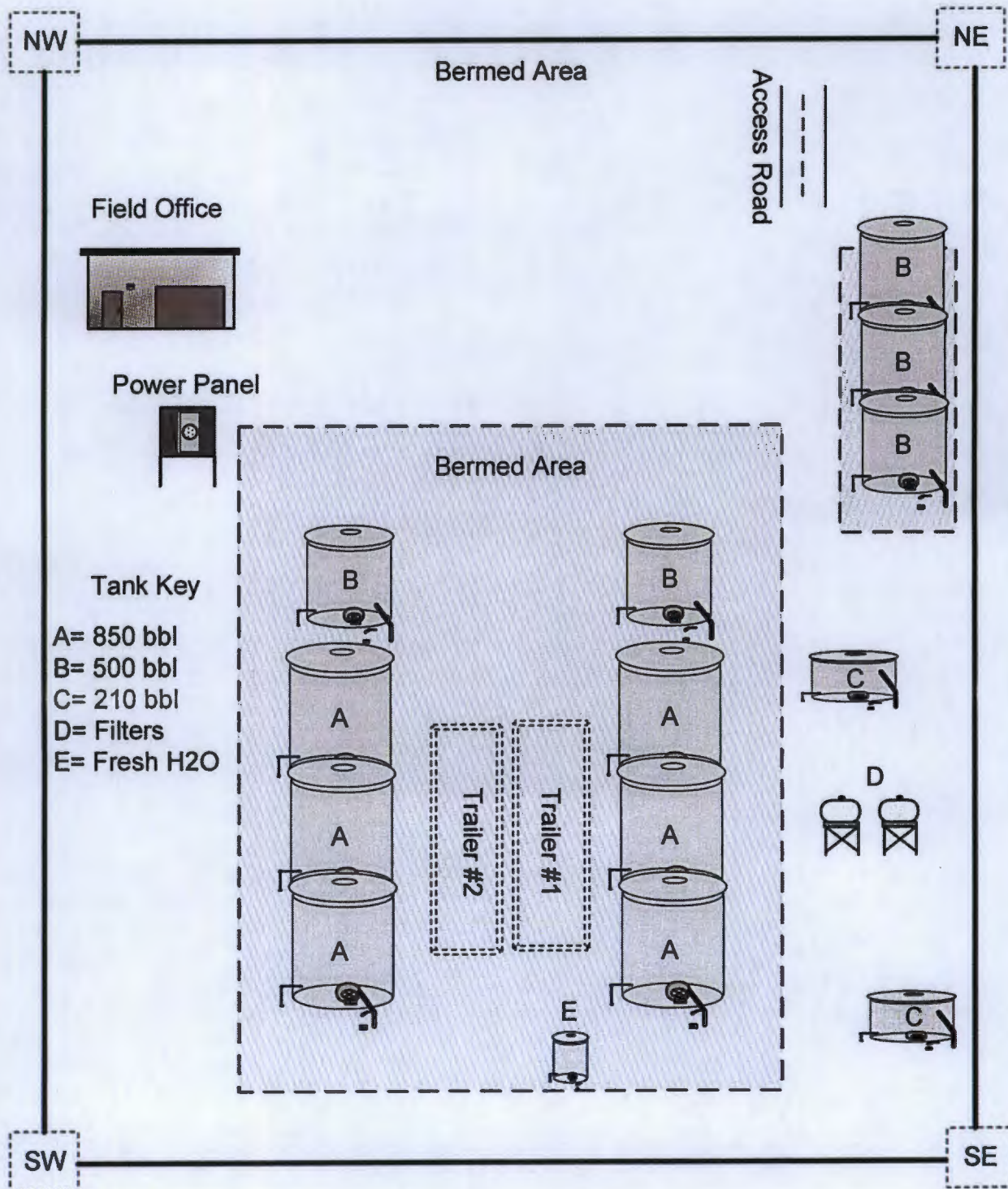
Figures

- 1.1 Facility Diagram**
- 1.2 Proposed Soil Sample Locations**

YATES PETROLEUM CORPORATION

Monday, August 12, 2013

Figure 1.1



YATES PETROLEUM CORPORATION

Monday, September 30, 2013

Figure 1.2

