

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

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CHAIRMAN OF THE BOARD

JOHN A. YATES JR.  
PRESIDENT

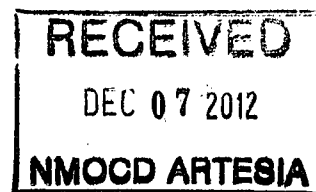
JAMES S. BROWN  
CHIEF OPERATING OFFICER

JOHN D. PERINI  
CHIEF FINANCIAL OFFICER

JORGE S. MENDOZA  
CHIEF ADMINISTRATIVE OFFICER

December 7, 2012

Mr. Mike Bratcher  
NMOCD District II  
811 S. First Street  
Artesia, NM 88210



Re: Olsen MY #1 (Dayton Water Line)  
30-015-~~25638~~ **23158**  
Section 33, T18S-R26E  
Eddy County, New Mexico

Dear Mr. Bratcher,

Enclosed please find a Form C-141, Final Report for the above captioned site regarding release on June 27, 2012 (2RP-1219). Impacted soils of this release were excavated and hauled to an NMOCD approved facility. Vertical and horizontal delineation samples were taken and sent to an NMOCD approved laboratory. Enclosed are the analytical reports, results show TPH and BTEX, to be below RRAL's, based on a site ranking of zero (depth to ground water recorded at 168' per NMOSE, Section 34, T18S-R26E); Yates Petroleum Corporation requests closure based on impacted soils excavated/hauled to an approved NMOCD disposal facility and analytical results.

If you have any questions, please call me at 575-748-4111.

Thank you.

YATES PETROLEUM CORPORATION

Amber Cannon  
Environmental Regulatory Agent

/anc  
Enclosure(s)



Kincaid Ranch Road

Samples labeled "B" were taken from the bottom of the excavation.

Samples labeled "N-SW" were taken from the North sidewall.

Samples labeled "W-SW" were taken from the West sidewall.

Samples labeled "S-SW" were taken from the South sidewall.

Samples labeled "E-SW" were taken from the East sidewall.

Lake Road

JACK WH

WT

VS GB OT OT WT

Tin Horn – Spill  
Release Area

Access road to Olsen MY #1



Olsen MY #1  
(Dayton Water Line)

30-15-25638  
Section 33, T18S-R26E  
Eddy County, NM

Prepared by Amber Cannon  
Environmental Regulatory Agent

\*Drawing not to Scale\*

# Olsen MY #1 (Dayton Water Line)

Analytical Report- H201603	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides	
B-3'	Release Area	7/9/2012	Auger	3'	1.135	ND	14.7	14.7	50400	Excavated
B-4'	Release Area	7/9/2012	Auger	4'	ND	ND	22.9	22.9	7520	Excavated

Analytical Report- H201821	Sample Area	Sample Date	Sample Type	Depth	Chlorides	
B-6'	Release Area	7/26/2012	Shovel	6'	2160	
N-SW (Sidewall)	Release Area	7/26/2012	Shovel	6" into sidewall	3200	Excavated
S-SW (Sidewall)	Release Area	7/26/2012	Shovel	6" into sidewall	6560	Excavated

Analytical Report- H202118	Sample Area	Sample Date	Sample Type	Depth	Chlorides	
B-7'	Release Area	8/30/2012	Shovel	7'	944	
B-8'	Release Area	8/30/2012	Shovel	8'	832	
N-SW (Sidewall) 1'	Release Area	8/30/2012	Shovel	1' into sidewall	6400	Excavated
N-SW (Sidewall) 2'	Release Area	8/30/2012	Shovel	2' into sidewall	6700	Excavated
S-SW (Sidewall) 1'	Release Area	8/30/2012	Shovel	1' into sidewall	2120	
S-SW (Sidewall) 2'	Release Area	8/30/2012	Shovel	2' into sidewall	688	
W-SW (Sidewall) 1'	Release Area	8/30/2012	Shovel	1' into sidewall	11800	Excavated
W-SW (Sidewall) 2'	Release Area	8/30/2012	Shovel	2' into sidewall	8200	Excavated
E-SW (Sidewall) 1'	Release Area	8/30/2012	Shovel	1' into sidewall	11400	Excavated
E-SW (Sidewall) 2'	Release Area	8/30/2012	Shovel	2' into sidewall	11800	Excavated

Analytical Report- H202320	Sample Area	Sample Date	Sample Type	Depth	Chlorides	
N-SW (Sidewall) 3'	Release Area	9/21/2012	Shovel	3' into sidewall	2400	Excavated
N-SW (Sidewall) 4'	Release Area	9/21/2012	Shovel	4' into sidewall	10000	Excavated
W-SW (Sidewall) 3'	Release Area	9/21/2012	Shovel	3' into sidewall	5520	Excavated
W-SW (Sidewall) 4'	Release Area	9/21/2012	Shovel	4' into sidewall	6400	Excavated
E-SW (Sidewall) 3'	Release Area	9/21/2012	Shovel	3' into sidewall	3120	Excavated
E-SW (Sidewall) 4'	Release Area	9/21/2012	Shovel	4' into sidewall	1650	

Analytical Report- H202549	Sample Area	Sample Date	Sample Type	Depth	Chlorides	
N-SW (Sidewall) 5'	Release Area	10/18/2012	Shovel	5' into sidewall	5700	Excavated
W-SW (Sidewall) 5'	Release Area	10/18/2012	Shovel	5' into sidewall	4720	Excavated
W-SW (Sidewall) 6'	Release Area	10/18/2012	Shovel	6' into sidewall	2480	Excavated

Analytical Report- H202679	Sample Area	Sample Date	Sample Type	Depth	Chlorides	
N-SW (Sidewall) 6'	Release Area	11/2/2012	Shovel	6' into sidewall	4660	Excavated
N-SW (Sidewall) 7'	Release Area	11/2/2012	Shovel	7' into sidewall	11000	Excavated
W-SW (Sidewall) 7'	Release Area	11/2/2012	Shovel	7' into sidewall	11400	Excavated

Analytical Report- H202840	Sample Area	Sample Date	Sample Type	Depth	Chlorides	
N-SW (Sidewall) 12'	Release Area	11/19/2012	Shovel	12' into sidewall	1550	Excavated
W-SW (Sidewall) 12'	Release Area	11/19/2012	Shovel	12' into sidewall	2960	Excavated
W-SW (Sidewall) 22'	Release Area	11/19/2012	Shovel	22' into sidewall	32	



PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

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July 18, 2012

AMBER CANNON

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: OLSEN MY #1 - DAYTON WATER LINE

Enclosed are the results of analyses for samples received by the laboratory on 07/13/12 11:20.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/qa/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, reading "Celey D. Keene". The signature is written in a cursive style with a large, stylized 'C' and 'K'.

Celey D. Keene

Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 AMBER CANNON  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	07/13/2012	Sampling Date:	07/09/2012
Reported:	07/18/2012	Sampling Type:	Soil
Project Name:	OLSEN MY #1 - DAYTON WATER LINE	Sampling Condition:	Cool & Intact
Project Number:	30-015-23158	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: B-3' BSL (H201603-01)**

BTX 8021B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	0.117	0.050	07/18/2012	ND	1.91	95.7	2.00	0.781	
Toluene*	0.218	0.050	07/18/2012	ND	1.94	97.1	2.00	2.18	
Ethylbenzene*	0.272	0.050	07/18/2012	ND	1.98	99.0	2.00	1.91	
Total Xylenes*	0.528	0.150	07/18/2012	ND	5.99	99.9	6.00	2.45	

Surrogate: 4-Bromofluorobenzene (PIL) 113 % 89.4-126

TPH 8015M		mg/kg		Analyzed By: AM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	07/17/2012	ND	166	83.1	200	6.45	
DRO >C10-C28	14.7	10.0	07/17/2012	ND	173	86.6	200	8.21	

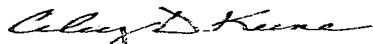
Surrogate: 1-Chlorooctane 76.3 % 65.2-140

Surrogate: 1-Chlorooctadecane 101 % 63.6-154

Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

Yates Energy Petroleum Corp  
 AMBER CANNON  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	07/13/2012	Sampling Date:	07/09/2012
Reported:	07/18/2012	Sampling Type:	Soil
Project Name:	OLSEN MY #1 - DAYTON WATER LINE	Sampling Condition:	Cool & Intact
Project Number:	30-015-23158	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: B-4' BSL (H201603-02)**

BTX 80218		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	07/18/2012	ND	1.91	95.7	2.00	0.781		
Toluene*	<0.050	0.050	07/18/2012	ND	1.94	97.1	2.00	2.18		
Ethylbenzene*	<0.050	0.050	07/18/2012	ND	1.98	99.0	2.00	1.91		
Total Xylenes*	<0.150	0.150	07/18/2012	ND	5.99	99.9	6.00	2.45		

Surrogate: 4-Bromofluorobenzene (PIC) 105 % 89.4-126

TPH 8015M		mg/kg		Analyzed By: AM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	07/17/2012	ND	166	83.1	200	6.45		
DRO >C10-C28	22.9	10.0	07/17/2012	ND	173	86.6	200	8.21		

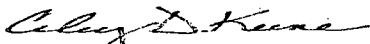
Surrogate: 1-Chlorooctane 73.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 101 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

### Notes and Definitions

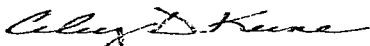
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

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Celey D. Keene, Lab Director/Quality Manager







PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

---

July 23, 2012

AMBER CANNON

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: OLSEN MY #1 - DAYTON WATER LINE

Enclosed are the results of analyses for samples received by the laboratory on 07/13/12 11:20.

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Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

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Sincerely,

A handwritten signature in cursive script, reading "Celey D. Keene".

Celey D. Keene

Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 AMBER CANNON  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	07/13/2012	Sampling Date:	07/09/2012
Reported:	07/23/2012	Sampling Type:	Soil
Project Name:	OLSEN MY #1 - DAYTON WATER LINE	Sampling Condition:	Cool & Intact
Project Number:	30-015-23158	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: B-3' BSL (H201603-01)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	50400	16.0	07/23/2012	ND	448	112	400	3.64	


**Sample ID: B-4' BSL (H201603-02)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	7520	16.0	07/23/2012	ND	448	112	400	3.64	

Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Notes and Definitions**

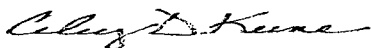
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C
	Samples reported on an as received basis (wet) unless otherwise noted on report

---

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---

Celey D. Keene, Lab Director/Quality Manager

(505) 393-2326 FAX (505) 393-2476

## CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

Page 1 of 1

Project Manager: Amber Cannon

Project Name: Olsen MY #1 - Dayton Water Line

Comp: (505) 393-2326 Yates Petroleum Corporation

Project #: 30-015-23158

Company Address: 105 South 4th Street

Project Loc: Eddy County

City/State/Zip:       Artesia..NM 88210

PO #: 103-2020

Telephone No: --575-748-4111 or 575-513-8799

Fax No: \_\_\_\_\_

Report Format: ☒ Standard ☐ TRRP ☐ NPDES

Sampler Signature: Amber Cannon

e-mail: [acannon@vatespetroleum.com](mailto:acannon@vatespetroleum.com)

[illegible]

#26



PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

August 07, 2012

AMBER CANNON

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: OLSEN MY #1 - DAYTON WATER LINE

Enclosed are the results of analyses for samples received by the laboratory on 08/06/12 13:10.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/qa/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

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Sincerely,

A handwritten signature in black ink, reading "Celey D. Keene". The signature is written in a cursive, flowing style.

Celey D. Keene

Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 AMBER CANNON  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	08/06/2012	Sampling Date:	07/26/2012
Reported:	08/07/2012	Sampling Type:	Soil
Project Name:	OLSEN MY #1 - DAYTON WATER LINE	Sampling Condition:	Cool & Intact
Project Number:	30-015-23158	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: B - 6' BSL (H201821-01)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	2160	16.0	08/06/2012	ND	416	104	400	3.92	

**Sample ID: N-SW (SIDEWALL) (H201821-02)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	3200	16.0	08/06/2012	ND	416	104	400	3.92	

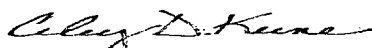
**Sample ID: S-SW (SIDEWALL) (H201821-03)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	6560	16.0	08/06/2012	ND	416	104	400	3.92	

Cardinal Laboratories

\* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Notes and Definitions**

ND Analyte NOT DETECTED at or above the reporting limit

RPD Relative Percent Difference

\*\* Samples not received at proper temperature of 6°C or below.

\*\*\* Insufficient time to reach temperature.

- Chloride by SM4500Cl-B does not require samples be received at or below 6°C

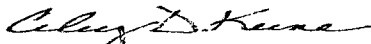
Samples reported on an as received basis (wet) unless otherwise noted on report

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Cardinal Laboratories

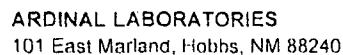
\*=Accredited Analyte

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---

Celey D. Keene, Lab Director/Quality Manager



(505) 393-2326 FAX (505) 393-2476

Project Manager: Amber Cannon

Project Name: Olsen MY #1 - Dayton Water Line

Comp: (505) 393-2326 Yates Petroleum Corporation

Project #: 30-015-23158

Company Address: 105 South 4th Street

Project Loc: Eddy County

City/State/Zip: Artesia, NM 88210

PO #: 103-2020

Telephone No: 575-748-4111 or 575-513-8799

Fax No:

Report Format: ☒ Standard ☐ TRRP ☐ NPDES

Sampler Signature: Amber Cannon

e-mail: [acannon@yatespetroleum.com](mailto:acannon@yatespetroleum.com)

(lab use only)

ORDER #: H20182

Special Instructions:


Laboratory Comments:

Relinquished by: Amber Cannon

Date	Time
------	------

Received by: Godi Benson

Date	Time
8/16/12	1:16

Relinquished by: 

Date	Time
------	------

Received by:

Date	Time
------	------

Relinquished by:

Date	Time
------	------

Received by EL0T:

Date	Time
------	------

**Sample Containers Intact?**

## VOCs Free of Headspace?

Labels on container(s)

Custody seals on container


Custody seals on cooler(s)	
Carry-out Hand Delivery	

Sample Hand Delivered  
by Sampler/Client Bco. 2

by Courier? UPS

\_\_\_\_\_

Temperature Upon Receipt



12

70 °C

02



September 05, 2012

AMBER CANNON

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: OLSEN MY #1 - DAYTON WATER LINE

Enclosed are the results of analyses for samples received by the laboratory on 08/31/12 15:25.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/qa/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Caley D. Keene

Lab Director/Quality Manager



ARDINAL LABORATORIES  
101 East Marland, Hobbs, NM 88240

(505) 393-2326 FAX (505) 393-2476

# CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

Project Manager: Amber Cannon

Project Name: Olsen MY #1 - Dayton Water Line

Comp: (505) 393-2326 Yates Petroleum Corporation

Project #: 30-015-23158

Company Address: 105 South 4th Street

Project Loc: Eddy County

City/State/Zip: Artesia, NM 88210

PO #: 103-2020

Telephone No: 575-748-4111 or 575-513-8799

Fax No: \_\_\_\_\_

Report Format: ☒ Standard ☐ TRRP ☐ NPDES

Sampler Signature: Amber Cannon

e-mail: acannon@yatespetroleum.com

(lab use only)

ORDER #: H202118

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total #. of Containers	Ice	HNO <sub>3</sub>	HCl	H <sub>2</sub> SO <sub>4</sub>	NaOH	Na <sub>2</sub> S <sub>2</sub> O <sub>3</sub>	None	Other (Specify)	DW=Drinking Water SL=Sludge GW = Groundwater S=Soil/Solid NP=Non-Potable Specify Other	TPH: 418.1 8015M	TPH: TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO <sub>4</sub> , Alkalinity)	SAR / ESP / CEC	Metals: As, Ag, Ba, Cd, Cr, Pb, Hg	Volatiles	Semivolatiles	PCB's 5000, 15030 or BTEX 8260	RCI	N.O.R.M.	Chlorides	SAR	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
1	B-7' BSL	7'	7'	8/30/2012	1:00 PM		1									S													X		X
2	B-8' BSL	8'	8'	8/30/2012	1:00 PM		1									S													X		X
3	N-SW 1'	1'	1'	8/30/2012	1:00 PM		1									S													X		X
4	N-SW 2'	2'	2'	8/30/2012	1:00 PM		1									S													X		X
5	S-SW 1'	1'	1'	8/30/2012	1:00 PM		1									S													X		X
6	S-SW 2'	2'	2'	8/30/2012	1:00 PM		1									S													X		X
7	W-SW 1'	1'	1'	8/30/2012	1:00 PM		1									S													X		X
8	W-SW 2'	2'	2'	8/30/2012	1:00 PM		1									S													X		X
9	E-SW 1'	1'	1'	8/30/2012	1:00 PM		1									S													X		X
10	E-SW 2'	2'	2'	8/30/2012	1:00 PM		1									S													X		X

## Special Instructions:

Relinquished by:	Date	Time	Received by:	Date	Time
<u>Amber Cannon</u>	<u>8/30/12</u>	<u>3:25</u>	<u>Amber Cannon</u>	<u>8/31/12</u>	
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by:	Date	Time	Received by ELOT:	Date	Time

## Laboratory Comments:

Sample Containers Intact? Y N  
VOCs Free of Headspace? Y N  
Labels on container(s) Y N  
Custody seals on container(s) Y N  
Custody seals on cooler(s) Y N  
Sample Hand Delivered Y N  
by Sampler/Client Rep. ? Y N  
by Courier? UPS DHL FedEx Lone Star  
Temperature Upon Receipt: 20 °C



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

---

September 28, 2012

AMBER CANNON

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: OLSEN MY #1 - DAYTON WATER LINE

Enclosed are the results of analyses for samples received by the laboratory on 09/24/12 11:50.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/qa/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Celey D. Keene".

Celey D. Keene

Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 AMBER CANNON  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

 Received: 09/24/2012  
 Reported: 09/28/2012  
 Project Name: OLSEN MY #1 - DAYTON WATER LINE  
 Project Number: 30-015-23158  
 Project Location: EDDY COUNTY, NM

 Sampling Date: 09/21/2012  
 Sampling Type: Soil  
 Sampling Condition: \*\* (See Notes)  
 Sample Received By: Jodi Henson

**Sample ID: N-SW 3' (H202320-01)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	2400	16.0	09/28/2012	ND	400	100	400	3.92	

**Sample ID: N-SW 4' (H202320-02)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	10000	16.0	09/28/2012	ND	400	100	400	3.92	

**Sample ID: W-SW 3' (H202320-03)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	5520	16.0	09/28/2012	ND	400	100	400	3.92	

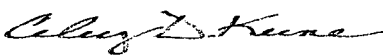
**Sample ID: W-SW 4' (H202320-04)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	6400	16.0	09/28/2012	ND	400	100	400	3.92	

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 AMBER CANNON  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

 Received: 09/24/2012  
 Reported: 09/28/2012  
 Project Name: OLSEN MY #1 - DAYTON WATER LINE  
 Project Number: 30-015-23158  
 Project Location: EDDY COUNTY, NM

 Sampling Date: 09/21/2012  
 Sampling Type: Soil  
 Sampling Condition: \*\* (See Notes)  
 Sample Received By: Jodi Henson

**Sample ID: E-SW 3' (H202320-05)**

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	3120	16.0	09/28/2012	ND	400	100	400	3.92	

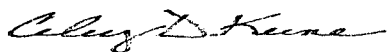
**Sample ID: E-SW 4' (H202320-06)**

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	1650	16.0	09/28/2012	ND	400	100	400	3.92	

Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Notes and Definitions**

ND Analyte NOT DETECTED at or above the reporting limit

RPD Relative Percent Difference

\*\* Samples not received at proper temperature of 6°C or below.

\*\*\* Insufficient time to reach temperature.

- Chloride by SM4500Cl-B does not require samples be received at or below 6°C

Samples reported on an as received basis (wet) unless otherwise noted on report

---

**Cardinal Laboratories****\*=Accredited Analyte**

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



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Celey D. Keene, Lab Director/Quality Manager



(505) 393-2326 FAX (505) 393-2476

e-mail: acannon@yatespetroleum.com

Page 5 of 5

A diagram showing a polymer chain with four Y-shaped units connected vertically. To the right of the chain is a vertical column of six 'N' characters.

October 22, 2012

AMBER CANNON

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: OLSEN MY #1 - DAYTON WATER LINE

Enclosed are the results of analyses for samples received by the laboratory on 10/18/12 14:14.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/qa/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

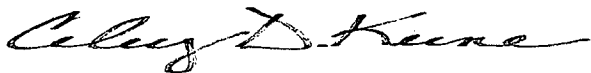
Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene

Lab Director/Quality Manager



**Analytical Results For:**

 Yates Energy Petroleum Corp  
 AMBER CANNON  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

 Received: 10/18/2012  
 Reported: 10/22/2012  
 Project Name: OLSEN MY #1 - DAYTON WATER LINE  
 Project Number: 30-015-23158  
 Project Location: EDDY COUNTY, NM

 Sampling Date: 10/18/2012  
 Sampling Type: Soil  
 Sampling Condition: \*\* (See Notes)  
 Sample Received By: Celey D. Keene

**Sample ID: N-SW 5' (H202549-01)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	5700	16.0	10/19/2012	ND	416	104	400	0.00	

**Sample ID: W-SW 5' (H202549-02)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	4720	16.0	10/19/2012	ND	416	104	400	0.00	

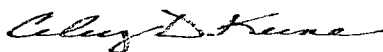
**Sample ID: W-SW 6' (H202549-03)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	2480	16.0	10/19/2012	ND	416	104	400	0.00	

Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Notes and Definitions**

ND Analyte NOT DETECTED at or above the reporting limit

RPD Relative Percent Difference

\*\* Samples not received at proper temperature of 6°C or below.

\*\*\* Insufficient time to reach temperature.

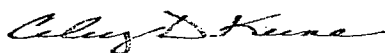
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C

Samples reported on an as received basis (wet) unless otherwise noted on report

---

**Cardinal Laboratories****\*=Accredited Analyte**

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---

Celey D. Keene, Lab Director/Quality Manager



November 07, 2012

AMBER CANNON

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: OLSEN MY #1 - DAYTON WATER LINE

Enclosed are the results of analyses for samples received by the laboratory on 11/02/12 14:35.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/qa/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

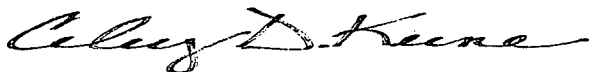
Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 AMBER CANNON  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

 Received: 11/02/2012  
 Reported: 11/07/2012  
 Project Name: OLSEN MY #1 - DAYTON WATER LINE  
 Project Number: 30-015-23158  
 Project Location: EDDY COUNTY, NM

 Sampling Date: 11/02/2012  
 Sampling Type: Soil  
 Sampling Condition: \*\* (See Notes)  
 Sample Received By: Jodi Henson

**Sample ID: N-SW 6' (H202679-01)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	4660	16.0	11/07/2012	ND	416	104	400	3.92	

**Sample ID: N-SW 7' (H202679-02)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	11000	16.0	11/07/2012	ND	416	104	400	3.92	

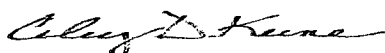
**Sample ID: W-SW 7' (H202679-03)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	11400	16.0	11/07/2012	ND	416	104	400	3.92	

Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Notes and Definitions**

ND Analyte NOT DETECTED at or above the reporting limit

RPD Relative Percent Difference

\*\* Samples not received at proper temperature of 6°C or below.

\*\*\* Insufficient time to reach temperature.

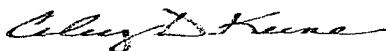
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C

Samples reported on an as received basis (wet) unless otherwise noted on report

---

**Cardinal Laboratories****\*=Accredited Analyte**

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---

Celey D. Keene, Lab Director/Quality Manager

### CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

Project Manager: Amber Cannon

**Project Name:** Olsen MY #1 - Dayton Water Line

Comp: (505) 393-2326 Yates Petroleum Corporation

**Project #:** 30-015-23158

Company Address: 105 South 4th Street

Project Loc: Eddy County

City/State/Zip: Artesia, NM 88210

PO #: 103-2020

Telephone No: 575-748-4111 or 575-513-8799 Fax No:

**Report Format:** ☒ Standard ☐ TRRP ☐ NPDES

Sampler Signature: Ember Cannon


e-mail: [acannon@yatespetroleum.com](mailto:acannon@yatespetroleum.com)

[illegible]

**Special Instructions:**

Relinquished by: <i>Amber Cannon</i>	Date <i>11/21/12</i>	Time	Received by: <i>Adi Henson</i>	Date <i>11/21/12</i>	Time <i>2:35</i>
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by:	Date	Time	Received by EL0T:	Date	Time

## Laboratory Comments:

Sample Containers Intact?		N
VOCs Free of Headspace?		N
Labels on container(s)		N
Custody seals on container(s)		N
Custody seals on cooler(s)		N
Sample Hand Delivered		N
by Sampler/Client Rep. ?		N
by Courier?		N
UPS		
DHL		
FedEx		
Lone Star		
Temperature Upon Receipt:	288	°C



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

November 28, 2012

AMBER CANNON

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: OLSEN MY #1 - DAYTON WATER LINE

Enclosed are the results of analyses for samples received by the laboratory on 11/26/12 15:25.

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Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Caley D. Keene". The signature is written in a cursive, flowing style.

Caley D. Keene

Lab Director/Quality Manager



**Analytical Results For:**

 Yates Energy Petroleum Corp  
 AMBER CANNON  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

 Received: 11/26/2012  
 Reported: 11/28/2012  
 Project Name: OLSEN MY #1 - DAYTON WATER LINE  
 Project Number: 30-015-23158  
 Project Location: EDDY COUNTY, NM

 Sampling Date: 11/19/2012  
 Sampling Type: Soil  
 Sampling Condition: \*\* (See Notes)  
 Sample Received By: Jodi Henson

**Sample ID: N-SW 12' (H202840-01)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	1550	16.0	11/28/2012	ND	416	104	400	0.00	

**Sample ID: W-SW 12' (H202840-02)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	2960	16.0	11/28/2012	ND	416	104	400	0.00	

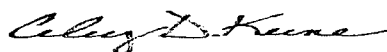
**Sample ID: W-SW 22' (H202840-03)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	11/28/2012	ND	416	104	400	0.00	

Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Notes and Definitions**

ND Analyte NOT DETECTED at or above the reporting limit

RPD Relative Percent Difference

\*\* Samples not received at proper temperature of 6°C or below.

\*\*\* Insufficient time to reach temperature.

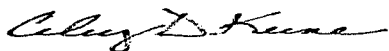
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C

Samples reported on an as received basis (wet) unless otherwise noted on report

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**Cardinal Laboratories****\*=Accredited Analyte**

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**Celey D. Keene, Lab Director/Quality Manager**

**ARDINAL LABORATORIES**  
101 East Marland, Hobbs, NM 88240

(505) 393-2326 FAX (505) 393-2476

### CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

**Project Manager:** Amber Cannon

**Project Name:** Olsen MY #1 - Dayton Water Line

Comp: (505) 393-2326 Yates Petroleum Corporation

**Project #:** 30-015-23158

Company Address: 105 South 4th Street

Project Loc: Eddy County

City/State/Zip:     Artesia, NM 88210

PO #: 103-2020

Telephone No: 575-748-4111 or 575-513-8799

Fax No: \_\_\_\_\_

Report Format: ☒ Standard ☐ TRRP ☐ NPDES

Sampler Signature: Amber Cannon

e-mail: [acannon@yatespetroleum.com](mailto:acannon@yatespetroleum.com)

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