| Analytical Report- H202544 H202664 | Sample Date | Depth | BTEX | GRO | DRO | TOTAL | Chlorides |
|---------------------------------------|-------------|-------|--------|-----|------|-------|-----------|
| °S1 3' | 10/17/2012 | 3' | .24 | ND | ND | ND | 13200 |
| *81 6 * | 10/17/2012 | 5' | ND | ND | ND | ND | 9800 |
| *81 7 | 10/17/2012 | 7' | ND | ND | ND | ND | 6500 |
| | | | | | | | |
| *82 3' | 10/17/2012 | 3' | 116.78 | 778 | 263 | 1041 | 6800 |
| * 82 5' | 10/17/2012 | 5' | ND | ND | ND | ND | 2240 |
| *82 7 | 10/17/2012 | 7' | ND | ND | ND | ND | 6400 |
| | | | | | | | |
| S3 3' | 10/31/2012 | 3' | .236 | ND | ND | ND | 2080 |
| S3 5' | 10/31/2012 | 5' | ND | ND | ND | ND | 6640 |
| S3 7' | 10/31/2012 | 7' | .050 | ND | ND | ND | 5760 |
| | | | | | | | |
| S4 3' | 10/31/2012 | 3' | ND | ND | 2450 | 2450 | 192 |

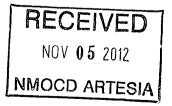
| S4 3' | 10/31/2012 | 3' | ND | ND | 2450 | 2450 | 192 |
|-------|------------|----|----|----|------|------|-----|
| S4 5' | 10/31/2012 | 5' | ND | ND | ND | ND | 112 |
| S4 7' | 10/31/2012 | 7' | ND | ND | ND | ND | 144 |

Site Ranking is Zero (10). Depth to Ground Water <100' (approx. 72', per NMOSE).

All results are ppm.Chlorides for documentation.

Released: 450 B/PW; Recovered: 400 B/PW. Release Date: 9/22/2012

Removed and Havied





November 02, 2012

JEREMY HAASS Yates Energy Petroleum Corp 105 S 4th Street

Artesia, NM 88210

RE: NIX GP BATTERY

Enclosed are the results of analyses for samples received by the laboratory on 11/01/12 14:53.

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/ga/lab accred certif.html.

Cardinal Laboratories is accreditated 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,

Celeg D. Keine

Celey D. Keene Lab Director/Quality Manager



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

| Received: | 11/01/2012 | Sampling Date: | 10/31/2012 |
|-------------------|----------------|---------------------|---------------|
| Reported: | 11/02/2012 | Sampling Type: | Soil |
| Project Name: | NIX GP BATTERY | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Jodi Henson |
| Project Location: | EDDY | | |

Sample ID: S3 3' (H202664-01)

| BTEX 8021B | mg/ | /kg | Analyze | d By: AP | | | | | |
|--------------------------------------|--------|-----------------|------------|--------------|------|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | 0.083 | 0.050 | 11/02/2012 | ND | 1.91 | 95.6 | 2.00 | 19.9 | |
| Toluene* | 0.153 | 0.050 | 11/02/2012 | ND | 2.09 | 104 | 2.00 | 18.6 | |
| Ethylbenzene* | <0.050 | 0.050 | 11/02/2012 | ND | 2.10 | 105 | 2.00 | 17.8 | |
| Total Xylenes* | <0.150 | 0.150 | 11/02/2012 | ND | 6.34 | 106 | 6.00 | 17.7 | |
| Total BTEX | <0.300 | 0.300 | 11/02/2012 | ND | | | | | |
| Surrogate: 4-Bromofluorobenzene (PIL | 108 9 | % 89.4-12 | 6 | | | | | | |
| Chloride, SM4500CI-B | mg/ | 'kg | Analyze | d By: HM | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 2080 | 16.0 | 11/02/2012 | ND | 416 | 104 | 400 | 0.00 | |
| TPH 8015M | mg/ | 'kg | Analyze | d By: MS | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/02/2012 | ND | 192 | 95.8 | 200 | 2.44 | |
| DRO >C10-C28 | <10.0 | 10.0 | 11/02/2012 | ND | 200 | 100 | 200 | 4.46 | |
| Surrogate: 1-Chlorooctane | 86.6 | % 65.2-14 | 0 | | | | | | |
| Surrogate: 1-Chlorooctadecane | 96.2 S | 63.6-15- | 4 | | | | | | |

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 whatboever shall be deemed waived unless made in writing and received by Cardinal within thriny (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 incidentified above. This reports and the performance of the services.

Celez D. Keine

Celey D. Keene, Lab Director/Quality Manager

Page 2 of 9



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

| Received: | 11/01/2012 | Sampling Date: | 10/31/2012 |
|-------------------|----------------|---------------------|---------------|
| Reported: | 11/02/2012 | Sampling Type: | Soil |
| Project Name: | NIX GP BATTERY | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Jodi Henson |
| Project Location: | EDDY | | |

Sample ID: S3 5' (H202664-02)

| BTEX 8021B | mg/ | kg | Analyze | ed By: AP | | | | | |
|--------------------------------------|--------|-----------------|------------|---|------|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 11/02/2012 | ND | 1.91 | 95.6 | 2.00 | 19.9 | |
| Toluene* | <0.050 | 0.050 | 11/02/2012 | ND | 2.09 | 104 | 2.00 | 18.6 | |
| Ethylbenzene* | <0.050 | 0.050 | 11/02/2012 | ND | 2.10 | 105 | 2.00 | 17.8 | |
| Total Xylenes* | <0.150 | 0.150 | 11/02/2012 | ND | 6.34 | 106 | 6.00 | 17.7 | |
| Total BTEX | <0.300 | 0.300 | 11/02/2012 | ND | | | | | |
| Surrogate: 4-Bromofluorobenzene (PIL | 108 9 | % 89.4-12 | 6 | <u>, , , , , , , , , , , , , , , , , , , </u> | | | | | |
| Chloride, SM4500Cl-B | mg/ | kg | Analyze | d By: HM | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 6640 | 16.0 | 11/02/2012 | ND | 416 | 104 | 400 | 0.00 | |
| TPH 8015M | mg/ | kg | Analyze | d By: MS | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/02/2012 | ND | 192 | 95.8 | 200 | 2.44 | |
| DRO >C10-C28 | <10.0 | 10.0 | 11/02/2012 | ND | 200 | 100 | 200 | 4.46 | |
| Surrogate: 1-Chlorooctane | 88.2 | 65.2-14 | 0 | | | | | | |
| Surrogate: 1-Chlorooctadecane | 97.1 | 63.6-15 | 4 | | | | | | |

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Llability 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 whitscever shall be deemed waived unless made in writing and received by Cardinal within (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 profits incidential exclusive after 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 sample identified above. This reproduced exception in full with internapinval of Cardinal Laborations.

Celey D. Kune

Celey D. Keene, Lab Director/Quality Manager



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

| Received: | 11/01/2012 | Sampling Date: | 10/31/2012 |
|-------------------|----------------|---------------------|---------------|
| Reported: | 11/02/2012 | Sampling Type: | Soil |
| Project Name: | NIX GP BATTERY | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Jodi Henson |
| Project Location: | EDDY | | |

Sample ID: S3 7' (H202664-03)

| BTEX 8021B | mg/ | kg | Analyze | ed By: AP | | | | | |
|--------------------------------------|---------|-----------------|------------|--------------|------|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | 0.050 | 0.050 | 11/02/2012 | ND | 1.91 | 95.6 | 2.00 | 19.9 | |
| Toluene* | <0.050 | 0.050 | 11/02/2012 | ND | 2.09 | 104 | 2.00 | 18.6 | |
| Ethylbenzene* | <0.050 | 0.050 | 11/02/2012 | ND | 2.10 | 105 | 2.00 | 17.8 | |
| Total Xylenes* | <0.150 | 0.150 | 11/02/2012 | ND | 6.34 | 106 | 6.00 | 17.7 | |
| Total BTEX | <0.300 | 0.300 | 11/02/2012 | ND | | | | | |
| Surrogate: 4-Bromofluorobenzene (PIL | 108 9 | % 89.4-12 | 6 | | | | | | |
| Chloride, SM4500Cl-B | mg/ | kg | Analyze | d By: HM | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 5760 | 16.0 | 11/02/2012 | ND | 416 | 104 | 400 | 0.00 | |
| TPH 8015M | mg/ | kg | Analyze | d By: MS | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/02/2012 | ND | 192 | 95.8 | 200 | 2.44 | |
| DRO >C10-C28 | <10.0 | 10.0 | 11/02/2012 | ND | 200 | 100 | 200 | 4.46 | |
| Surrogate: 1-Chlorooctane | 81.2 \$ | 65.2-14 | 0 | | | | | | |
| Surrogate: 1-Chlorooctadecane | 88.1 9 | 63.6-15 | 4 | | | | | | |

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any daim arising, whether based in contract or tort, shall be limited to the amount paid by dient for analyses. All daims, 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 Laboratones.

Celey D. Kune



ł

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

| Received: | 11/01/2012 | Sampling Date: | 10/31/2012 |
|-------------------|----------------|---------------------|---------------|
| Reported: | 11/02/2012 | Sampling Type: | Soil |
| Project Name: | NIX GP BATTERY | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Jodi Henson |
| Project Location: | EDDY | | |

Sample ID: S4 3' (H202664-04)

| BTEX 8021B | mg/ | kg | Analyze | d By: AP | | | | | |
|--------------------------------------|--------|-----------------|------------|--------------|------|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 11/02/2012 | ND | 1.91 | 95.6 | 2.00 | 19.9 | |
| Toluene* | <0.050 | 0.050 | 11/02/2012 | ND | 2.09 | 104 | 2.00 | 18.6 | |
| Ethylbenzene* | <0.050 | 0.050 | 11/02/2012 | ND | 2.10 | 105 | 2.00 | 17.8 | |
| Total Xylenes* | <0.150 | 0.150 | 11/02/2012 | ND | 6.34 | 106 | 6.00 | 17.7 | |
| Total BTEX | <0.300 | 0.300 | 11/02/2012 | ND | | | | | |
| Surrogate: 4-Bromofluorobenzene (PIL | 108 % | 6 89.4-12 | 6 | | | | | | |
| Chloride, SM4500CI-B | mg/ | kg | Analyze | d By: HM | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 192 | 16.0 | 11/02/2012 | ND | 416 | 104 | 400 | 0.00 | |
| ТРН 8015М | mg/ | kg | Analyze | d By: MS | | | | | S-06 |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <50.0 | 50.0 | 11/02/2012 | ND | 192 | 95.8 | 200 | 2.44 | |
| DRO >C10-C28 | 2450 | 50.0 | 11/02/2012 | ND | 200 | 100 | 200 | 4.46 | |
| Surrogate: 1-Chlorooctane | 84.5 % | 65.2-14 |) | | | | | | |
| Surrogate: 1-Chlorooctadecane | 164 % | 63.6-15 | 4 | | | | | | |

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 walved unless made in writing and received by claims, including those for negligence and 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 chains based upon any of the abve stated reasons or otherwise. Results relate only to the samples identified above. This report shall note perfortune cost of the approval of Cardinal Laboratories.

Celeg D. Keene

Celey D. Keene, Lab Director/Quality Manager

Page 5 of 9



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

| Received: | 11/01/2012 | Sampling Date: | 10/31/2012 |
|-------------------|----------------|---------------------|---------------|
| Reported: | 11/02/2012 | Sampling Type: | Soil |
| Project Name: | NIX GP BATTERY | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Jodi Henson |
| Project Location: | EDDY | | |

Sample ID: S4 5' (H202664-05)

| BTEX 8021B | mg/ | /kg | Analyze | ed By: AP | | | | | |
|--------------------------------------|--------|-----------------|------------|--------------|------|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 11/02/2012 | ND | 1.91 | 95.6 | 2.00 | 19.9 | |
| Toluene* | <0.050 | 0.050 | 11/02/2012 | ND | 2.09 | 104 | 2.00 | 18.6 | |
| Ethylbenzene* | <0.050 | 0.050 | 11/02/2012 | ND | 2.10 | 105 | 2.00 | 17.8 | |
| Total Xylenes* | <0.150 | 0.150 | 11/02/2012 | ND | 6.34 | 106 | 6.00 | 17.7 | |
| Total BTEX | <0.300 | 0.300 | 11/02/2012 | ND | | | | | |
| Surrogate: 4-Bromofluorobenzene (PIL | 106 \$ | % 89.4-12 | 6 | | | | · · · · | | |
| Chloride, SM4500Cl-B | mg/ | kg | Analyze | ed By: HM | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 112 | 16.0 | 11/02/2012 | ND | 416 | 104 | 400 | 0.00 | |
| TPH 8015M | mg/ | kg | Analyze | d By: MS | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/02/2012 | ND | 192 | 95.8 | 200 | 2.44 | |
| DRO >C10-C28 | <10.0 | 10.0 | 11/02/2012 | ND | 200 | 100 | 200 | 4.46 | |
| Surrogate: 1-Chlorooctane | 93.1 | % 65.2-14 | 0 | | | | | | |
| Surrogate: 1-Chlorooctadecane | 103 9 | 63.6-15 | 4 | | | | | | |

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any daim 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 whitsoever shall be deemed waved unless made in writing and received by client (acrdinal within thinty (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 sample identified above, this supsidiaries, affiliates in full with mitten approval of Cardinal Laboratories.

Celey D. Kune

Celey D. Keene, Lab Director/Quality Manager



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

| Received: | 11/01/2012 | Sampling Date: | 10/31/2012 |
|-------------------|----------------|---------------------|---------------|
| Reported: | 11/02/2012 | Sampling Type: | Soil |
| Project Name: | NIX GP BATTERY | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Jodi Henson |
| Project Location: | EDDY | | |

Sample ID: S4 7' (H202664-06)

| BTEX 8021B | mg/ | kg | Analyze | ed By: AP | | * | | | |
|--------------------------------------|--------|-----------------|------------|--------------|------|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 11/02/2012 | ND | 1.91 | 95.6 | 2.00 | 19.9 | |
| Toluene* | <0.050 | 0.050 | 11/02/2012 | ND | 2.09 | 104 | 2.00 | 18.6 | |
| Ethylbenzene* | <0.050 | 0.050 | 11/02/2012 | ND | 2.10 | 105 | 2.00 | 17.8 | |
| Total Xylenes* | <0.150 | 0.150 | 11/02/2012 | ND | 6.34 | 106 | 6.00 | 17.7 | |
| Total BTEX | <0.300 | 0.300 | 11/02/2012 | ND | | | | | |
| Surrogate: 4-Bromofluorobenzene (PIL | 107 9 | % 89.4-120 | 5 | | | | | | |
| Chloride, SM4500Cl-B | mg/ | kg | Analyze | d By: HM | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 144 | 16.0 | 11/02/2012 | ND | 416 | 104 | 400 | 0.00 | |
| TPH 8015M | mg/ | kg | Analyze | d By: MS | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/02/2012 | ND | 192 | 95.8 | 200 | 2.44 | |
| DRO >C10-C28 | <10.0 | 10.0 | 11/02/2012 | ND | 200 | 100 | 200 | 4.46 | |
| Surrogate: 1-Chlorooctane | 88.79 | 65.2-140 |) | | | | | | |
| Surrogate: 1-Chlorooctadecane | 98.2 9 | 63.6-154 | | | | | | | |

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 whissoever shall be deemed waived unless made in writing and received by client, including those for angligence and 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 claims based upon any of the business interruptions, loss of use, or loss of uses or loss of more sample identified above. This reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Kune

Celey D. Keene, Lab Director/Quality Manager

Page 7 of 9



Notes and Definitions

| S-06 | The recovery of this surrogate is outside control limits due to sample dilution required from high analyte concentration and/or matrix interference's. |
|------|--|
| 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 SM4500CI-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: Lability 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 claiminty (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 uses 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 reproduced except in full with writen approval of Cardinal Laboratories.

Celez D. Kune



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

| | 101 East Marland, Ho (575) 393-2326 FAX (| | 0 | | | | | | | | | | | | | | | | | | | | | |
|------------------------------|--|-----------------------------|--------------------------------|-------------------|---------------------|--------------|-------------|---------|------------------|-----------------|-------------------|---|-------------|-------------------------|---------------------------------|-------------|-------------|----------------|----------|--|----------|-------------|-----|-----------------|
| Company Name | | <u>(</u> | | | | وي والم | | Ű¢ | | BI | LL TO | | yés Terk | | فلسنوب وحاقت | | 1 | ANAL | YSI | S RE | QUE | ST | |] |
| Project Manage | " Jeremy H. | .55 | . . | | | - | | |). #: | 10 | 3-263 | No. of Concession, Name of Concession, Name of Street, or other | Τ | T | | 1 | | | | , | | | | î |
| Address: | | | | | | | | Col | mpany | /: N | PC | | | | · | | | | | | | | | |
| city: Artesi | A | State: NM z | Zip: < | 38 | 210 | 5 | | Att | n: 5 | <u>ور</u> و | - JH | کد۔ | | | | | | | | | | | | |
| Phone #: | **** | Fax #: | | | | | | Ad | dress: | | • | | | | | | | | | | | | | |
| Project #: | - 19 in a construction of the statement of | Project Owner: | يمك | (cr | <u> </u> | ta- | 55_ | City | y: Ac | te | 5.0 | *** | | \overline{A} | | | | | | 1 | | | | |
| Project Name: | Nix GP' B. | Hery | | | ! | | | Sta | te: N | m | Zip: 88 | 210 | | \mathbb{U} | | | | | | 1 | | | . | |
| Project Location | n: EZZY | j | | | | | | | one #: | | | | | CHARLE TE | | | | | | | | | | |
| Sampler Name: | Jeremy Ha | کې. | | | | | | Fax | _ | | | | | A | \sim | ĺ | | | | | | | | |
| FOR LAB USE ONLY | J | | <u>.</u> | | 1 T | ATR | IX I | | PRES | | SAMPL | ING | | | 2 | | | | | | | | | |
| | | | (C)OMP ERS | Ш | α | | | | ļ | | | | | | 11 | | | | | | | | | |
| Lab I.D. | Sample I.I | | OR (C | WAT | ATEI | | | | ر . ي | | | | | + | 10 | | | | | | | | . | |
| Lup I.P. | oumple in | | AB O | - AN | TEW | | ВGE | ĥ | /BAS COC | Ľ. | | | | Hd | 5 | | | | | | | | · · | |
| H2091664 | | | (G)RAB OR (C)C # CONTAINERS | S RO | WASTEWATER | Soil | SLUDGE | DTHE | ACID/BASE: | OTHER | DATE | TIM | E | 1- | Ĭ | | | | | | | | | |
| 1 | 53 3' | | Ī | | | \mathbf{x} | 1 | | X | | 10/31 | | - F | $\overline{\mathbf{X}}$ | X | | | | | <u>† – – – – – – – – – – – – – – – – – – –</u> | † | | | |
| Ť. | <u>53</u> 5' 537' | | 1 | | | X | | | _ X | | 10/31 | | | \mathbf{X} | X | | , | | | | | | | 1 HINNELLEY |
| <u> </u> | 53 7' | |) | | | K_ | | | <u>X</u> | | 10/31 | | | X | | | | | | | | | | |
| | 54 3' | |) | , | | X | | | _ X | | 10/31 | | . : | × | X | | د محمد سر . | | | | | معموري الدر | | |
| 50 | 54 51 | . | 1 | | | X | | | X | 1: | 10/31 | | | X | \times | | | | | | | | | |
| | 54 7' | | | <u>}</u> | - <u> </u> <u> </u> | Υ | | | Ц. Х | 4_ | 10/31 | | | \times | \times | | | | | | | | | |
| · | · | | | | | - | | | | + | | | | · | | | | | | | | | | |
| | ······································ | | | | | | | | · | | | | | | | | | | <u> </u> | | | | | |
| | ····· | | | · • | | | | ··· | | | | | | ,, | · · · · · · · · · · · · · · · · | | | | | | | | | ·· •· - |
| | nd Damages. Cardinal s liability and clien ing these for negligence and my other ca | | | | | | | | | | | | | | | <u>-</u> -L | | | · · · · | L | <u></u> | L | | |
| service. In no event shall C | Cardinal be liable for invidental or consequing out of or inlated to the performance of | iental damages, including v | Athout lin | nitation, | busines | s intern | uçuons, l | loss ol | luse, ar lo | es ot p | rofits incurred b | y client, its sub | osidiarie | | ,ie | | | | | | | | | |
| Relinguished B | | Date: | Rece | | _ | • | | 1.1 | | | | Phone Fax Re | Resi | | □ Yes | | | Add'l Add'l | | #: | | | | |
| | $a \sim 5 < 10^{-1}$ | Time: 2:53 | 1 | n | | Ż | | i i | NA a | Å¢ | SHL- | REMA | | | 11165 | <u>L.</u> | NU | Auu | F 0 A H. | | · | | | ·· |
| Relinquished B | <u>у:</u> | Date: | Rece | <u>ري</u> ivec | By: | | 1 | | 2.1 ¥2" | د دن | 1 here | | Q | |) | | | | | | | | | |
| | | Time: | 10 | | | | | | | | | | P | く | sh |) | | | | | | | | |
| Delivered By | : (Circle One) | | | 1 | Sam | ple C | ondit | ion | CF | (EC) | KED, BY: | | | | | , | | | | | | | | |
| | - Bus - Other: | | ,) ⁹ | | Coo | İ∕In | tact Ye: | - | | (ihi | tials) | | | | • . | | | ••• | | | | | | |

(湖)

† Cardinal cannot accept verbal changes. Please fax written changes to (575) 39342326

1

2.(.)

Yes Yes



October 24, 2012

JEREMY HAASS Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: NIX GP BATTERY

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

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 accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab accredited certif.html.

Cardinal Laboratories is accreditated 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. Kune

Celey D. Keene Lab Director/Quality Manager



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

| Received: | 10/18/2012 | Sampling Date: | 10/17/2012 |
|-------------------|----------------|---------------------|----------------|
| Reported: | 10/24/2012 | Sampling Type: | Soil |
| Project Name: | NIX GP BATTERY | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Celey D. Keene |
| Project Location: | EDDY | | |

Sample ID: S1 3' (H202544-01)

| BTEX 8021B | mg/ | 'kg | Analyze | d By: MS | | | | | |
|--------------------------------------|--------|-----------------|------------|--------------|------|------------|---------------|---------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | 0.150 | 0.050 | 10/23/2012 | ND | 1.98 | 99.0 | 2.00 | 2.23 | |
| Toluene* | 0.090 | 0.050 | 10/23/2012 | ND | 2.15 | 108 | 2.00 | 2.85 | |
| Ethylbenzene* | <0.050 | 0.050 | 10/23/2012 | ND | 2.16 | 108 | 2.00 | 2.30 | |
| Total Xylenes* | <0.150 | 0.150 | 10/23/2012 | ND | 6.54 | 109 | 6.00 | 2.75 | |
| Surrogate: 4-Bromofluorobenzene (PIL | 103 9 | % 89.4-12 | 6 | | | | | | |
| Chloride, SM4500CI-B | mg/ | kg | Analyze | d By: HM | | | | <u></u> | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 13200 | 16.0 | 10/19/2012 | ND | 416 | 104 | 400 | 0.00 | |
| TPH 8015M | mg/ | kg | Analyze | d By: MS | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <50.0 | 50.0 | 10/19/2012 | ND | 166 | 83.2 | 200 | 5.81 | |
| DRO >C10-C28 | <50.0 | 50.0 | 10/19/2012 | ND | 159 | 79.4 | 200 | 9.04 | |
| Surrogate: 1-Chlorooctane | 75.9 | % 65.2-14 | 0 | | | | ···· · · - | | |
| Surrogate: 1-Chlorooctadecane | 83.1 | 63.6-15 | 4 | | | | | | |

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any daim 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 whatscever shall be deemed waived unless made in writing and received by client, it's cardinal within thin's (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, it's 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 unover stated reasons or otherwise. Results relate only to the samples identified above. This reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Kune

Celey D. Keene, Lab Director/Quality Manager



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

| Received: | 10/18/2012 | Sampling Date: | 10/17/2012 |
|-------------------|----------------|---------------------|----------------|
| Reported: | 10/24/2012 | Sampling Type: | Soil |
| Project Name: | NIX GP BATTERY | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Celey D. Keene |
| Project Location: | EDDY | | |

Sample ID: S1 5' (H202544-02)

| BTEX 8021B | mg, | /kg | Analyze | d By: MS | | | | | |
|--------------------------------------|--------|-----------------|------------|---------------------------------------|------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 10/23/2012 | ND | 1.76 | 88.1 | 2,00 | 0.795 | |
| Toluene* | <0.050 | 0.050 | 10/23/2012 | ND | 1.93 | 96.6 | 2.00 | 1.35 | |
| Ethylbenzene* | <0.050 | 0.050 | 10/23/2012 | ND | 1.93 | 96.7 | 2.00 | 1.60 | |
| Total Xylenes* | <0.150 | 0.150 | 10/23/2012 | ND | 5.85 | 97.6 | 6.00 | 2.00 | |
| Surrogate: 4-Bromofluorobenzene (PIL | 103 | % 89.4-12 | 6 | · · · · · · · · · · · · · · · · · · · | | | | | |
| Chloride, SM4500CI-B | mg, | 'kg | Analyze | d By: HM | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 9800 | 16.0 | 10/19/2012 | ND | 416 | 104 | 400 | 0.00 | |
| TPH 8015M | mg/ | kg | Analyze | d By: MS | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 10/19/2012 | ND | 166 | 83.2 | 200 | 5.81 | |
| DRO >C10-C28 | <10.0 | 10.0 | 10/19/2012 | ND | 159 | 79.4 | 200 | 9.04 | |
| Surrogate: 1-Chlorooctane | 76.8 | % 65.2-140 | 0 | | | | | | |
| Surrogate: 1-Chlorooctadecane | 80.3 | 63.6-154 | 4 | | | | | | |

Cardinal Laboratories

*=Accredited Analyte

PEASE NOTE: Lability and Damages, Cardinal's liability and client's exclusive remedy for any daim 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 whitstoever shall be deemed waived unless made in writing and received by Cardinal within (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 claims based unover stated reasons or otherwise. Results relate only to the samples claimfile above. This reproduced exception in full with written approval of Cardinal Laboratories.

Celeg D. Kune



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

| Received: | 10/18/2012 | Sampling Date: | 10/17/2012 |
|-------------------|----------------|---------------------|----------------|
| Reported: | 10/24/2012 | Sampling Type: | Soil |
| Project Name: | NIX GP BATTERY | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Celey D. Keene |
| Project Location: | EDDY | | |

Sample ID: S1 7' (H202544-03)

| BTEX 8021B | mg/ | 'kg | Analyze | ed By: MS | | | | | |
|--------------------------------------|--------|-----------------|------------|--------------|------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 10/23/2012 | ND | 1.76 | 88.1 | 2.00 | 0.795 | |
| Toluene* | <0.050 | 0.050 | 10/23/2012 | ND | 1.93 | 96.6 | 2.00 | 1.35 | |
| Ethylbenzene* | <0.050 | 0.050 | 10/23/2012 | ND | 1.93 | 96.7 | 2.00 | 1.60 | |
| Total Xylenes* | <0.150 | 0.150 | 10/23/2012 | ND | 5.85 | 97.6 | 6.00 | 2.00 | |
| Surrogate: 4-Bromofluorobenzene (PIL | 103 9 | % 89.4-12 | 6 | | | | | | |
| Chloride, SM4500CI-B | mg/ | kg | Analyze | d By: HM | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 6500 | 16.0 | 10/19/2012 | ND | 416 | 104 | 400 | 0.00 | |
| TPH 8015M | mg/ | kg | Analyze | d By: MS | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BŚ | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 10/19/2012 | ND | 166 | 83.2 | 200 | 5.81 | |
| DRO >C10-C28 | <10.0 | 10.0 | 10/19/2012 | ND | 159 | 79.4 | 200 | 9.04 | |
| Surrogate: 1-Chlorooctane | 74.4 5 | 65.2-140 |) | | | | <u> </u> | | |
| Surrogate: 1-Chlorooctadecane | 78.1 9 | 63.6-154 | 4 | | | | | | |

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 whitspeere 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 incidential cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidential cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidential cardinal shall be limited to the performance of the services hereunder by Cardinal, regardless of whether such chains based upon any of the bioex statef reasons or otherwse. Results relate only to the sample identified above. This reproduced exception in full with writen approval of cardinal laboratories.

Celey D. Kune

Celey D. Keene, Lab Director/Quality Manager



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

| Received: | 10/18/2012 | Sampling Date: | 10/17/2012 |
|-------------------|----------------|---------------------|----------------|
| Reported: | 10/24/2012 | Sampling Type: | Soil |
| Project Name: | NIX GP BATTERY | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Celey D. Keene |
| Project Location: | EDDY | | |

Sample ID: S2 3' (H202544-04)

| BTEX 8021B | mg, | 'kg | Analyze | d By: MS | | | | | |
|--------------------------------------|--------|-----------------|------------|--------------|------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | 10.3 | 1.00 | 10/24/2012 | ND | 1.76 | 88.1 | 2.00 | 0.795 | |
| Toluene* | 53,3 | 1.00 | 10/24/2012 | ND | 1.93 | 96.6 | 2.00 | 1.35 | |
| Ethylbenzene* | 9.98 | 1.00 | 10/24/2012 | ND | 1.93 | 96.7 | 2.00 | 1.60 | |
| Total Xylenes* | 43.2 | 3.00 | 10/24/2012 | ND | 5.85 | 97.6 | 6.00 | 2.00 | |
| Surrogate: 4-Bromofluorobenzene (PIL | 107 5 | % 89.4-12 | 6 | | | | | | |
| Chloride, SM4500Cl-B | mg/ | kg | Analyze | d By: HM | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 6800 | 16.0 | 10/19/2012 | ND | 416 | 104 | 400 | 0.00 | |
| TPH 8015M | mg/ | kg | Analyze | d By: MS | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | 778 | 50.0 | 10/20/2012 | ND | 166 | 83.2 | 200 | 5.81 | |
| DRO >C10-C28 | 263 | 50.0 | 10/20/2012 | ND | 159 | 79.4 | 200 | 9.04 | |
| Surrogate: 1-Chlorooctane | 88.4 | % 65.2-14 | 0 | | | | , | | |
| Surrogate: 1-Chlorooctadecane | 102 9 | 63.6-15 | 4 | | | | | | |

Cardinal Laboratories

*=Accredited Analyte

PEASE 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 incidentified 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 claims based upon any of the above stated reasons or otherwise. Results relate only to the sample: infall within the performance of Cardinal Laboratories.

Celey D. Kune

Celey D. Keene, Lab Director/Quality Manager

Page 5 of 9



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

| Received: | 10/18/2012 | | Sampling Date: | 10/17/2012 |
|-------------------|----------------|---|---------------------|----------------|
| | 10/24/2012 | | Sampling Type: | Soil |
| Reported: | , , | | 1 3 /1 | |
| Project Name: | NIX GP BATTERY | : | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | ł | Sample Received By: | Celey D. Keene |
| Project Location: | EDDY | I | | |

Sample ID: S2 5' (H202544-05)

| BTEX 8021B | mg, | /kg | Analyze | d By: MS | | | · | | |
|--------------------------------------|--------|-----------------|-----------------|--------------|------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 10/23/2012 | ND | 1.76 | 88.1 | 2.00 | 0.795 | |
| Toluene* | <0.050 | 0.050 | 10/23/2012 | ND | 1.93 | 96.6 | 2.00 | 1.35 | |
| Ethylbenzene* | <0.050 | 0.050 | 10/23/2012 | ND | 1.93 | 96.7 | 2.00 | 1.60 | |
| Total Xylenes* | <0.150 | 0.150 | 10/23/2012 | ND | 5.85 | 97.6 | 6.00 | 2.00 | |
| Surrogate: 4-Bromofluorobenzene (PIL | 105 | % 89.4-126 | ; ; | | | | | | |
| Chloride, SM4500Cl-B | _ mg, | /kg | Analyzed By: HM | | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 2240 | 16.0 | 10/19/2012 | ND | 416 | 104 | 400 | 0.00 | |
| TPH 8015M | mg/kg | | Analyzed By: MS | | | | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 10/20/2012 | ND | 166 | 83.2 | 200 | 5.81 | |
| DRO >C10-C28 | <10.0 | 10.0 | 10/20/2012 | ND | 159 | 79.4 | 200 | 9.04 | |
| Surrogate: 1-Chlorooctane | 79.5 | % 65.2-140 |) | | | | - 11 | | |
| Surrogate: 1-Chlorooctadecane | 84.4 | % 63.6-154 | ! | | | | | | |
| | | 1 | | | | | | | |
| | | | | | | | | | |

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Lability and Damages. Cardinal's liability and client's exclusive remedy for any dalm 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 waved unless made in writing and received by claims, including those for negligence and limitation, business interruptions, hoss of use, or loss of profits includental or consequential damages, including, without limitation, business interruptions, hoss of use, or loss of profits includented by client for any affiniates or successor arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claims based upon any of the above stated resources or otherwse. Results relate only to the samples identified above.¹ This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Kerne



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

| Received: | 10/18/2012 | | Sampling Date: | 10/17/2012 |
|-------------------|----------------|---|---------------------|----------------|
| Reported: | 10/24/2012 | : | Sampling Type: | Soil |
| Project Name: | NIX GP BATTERY | , | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | | Sample Received By: | Celey D. Keene |
| Project Location: | EDDY | | | |

Sample ID: S2 7' (H202544-06)

| BTEX 8021B | mg/ | kg | Analyze | d By: MS | | | | | |
|--------------------------------------|--------|-----------------|------------|--------------|------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 10/23/2012 | ND | 1.76 | 88.1 | 2.00 | 0.795 | |
| Toluene* | <0.050 | 0.050 | 10/23/2012 | ND | 1.93 | 96.6 | 2.00 | 1.35 | |
| Ethylbenzene* | <0.050 | 0.050 | 10/23/2012 | ND | 1.93 | 96.7 | 2.00 | 1.60 | |
| Total Xylenes* | <0.150 | 0.150 | 10/23/2012 | ND | 5.85 | 97.6 | 6.00 | 2.00 | |
| Surrogate: 4-Bromofluorobenzene (PIL | 103 9 | % 89.4-120 | 5 | | | | | | |
| Chloride, SM4500Cl-B | mg/ | kg | Analyze | d By: HM | | | | · ··· | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 6400 | 16.0 | 10/19/2012 | ND | 416 | 104 | 400 | 0.00 | |
| TPH 8015M | mg/ | kg | Analyze | d By: MS | | <u></u> | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 10/20/2012 | ND | 166 | 83.2 | 200 | 5.81 | |
| DRO >C10-C28 | <10.0 | 10.0 | 10/20/2012 | ND | 159 | 79.4 | 200 | 9.04 | |
| Surrogate: 1-Chlorooctane | 77.8 5 | 65.2-140 |) | | | | | | |
| Surrogate: 1-Chlorooctadecane | 83.4 9 | 63.6-154 | t | | | | | | |
| | | | | | | | | | |

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 whitscever shall be deemed waived unless made in writing and received by client (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 otherwse. Results relate only to the samples identified above. This reproduced except in full with writen approval of Cardinal Laboratories.

1

Celey D. Kune

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 SM4500CI-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 a profils incurved by dient, its subsidiaries, affiliates or successors arising out 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.

Celeg & Keine

Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240 (575) 393-2326 FAX (575) 393-2476 Company Name: YPC ANALYSIS REQUEST

| | | | | S | ANALIDIO | |
|--|---------------------|---|---|----------------------|----------|--|
| Project Manage | · Jeremy Houss | | P.O. #: 103-2636 | | | |
| Address: | | Company: YPC | | | | |
| ciny: Arter | in State: NM | Attn: Jecemy Harss | | | | |
| Phone #: | Fax #: | | Address: | | | |
| Project #: Project Owner: Der on y Hands | | | City: | | | |
| Project Name: | Nix GP Battery | 1 | State: Zip: | | | |
| Project Location | n: Edly | | Phone #: | | | |
| Sampler Name: | Jacomy Hauss | | Fax #: | X V V V | | |
| FOR LAB USE ONLY | | MATRIX | PRESERV SAMPLING | | | |
| | | (C)OMP. ERS ATER ER | | 8 3 | | |
| | | TER (C) | | D :: | | |
| Lab I.D. | Sample I.D. | 3 OR TAIN NDW | | TPX Chlo | | |
| 42.2041 | | (G)RAB OR (C)OM # CONTAINERS GROUNDWATER WASTEWATER WASTEWATER SOL | OTHER : ACID/BASE: OTHER : OTHER : | 12 3 | | |
| H202544- | 51 3' | <u> </u> | | | | |
| 01 | 52 5' | | X 10,17 X 10,17 | <u> X X - </u> | | |
| 03 | | | X 10/17 | | | |
| ୍ୟୁ | <u>517'</u> 523' | | | | | |
| 05 | | X | | | | |
| 06 | Y | | X 10/17 | ネネー | | |
| 0.0 | | | X 10/17 | | | |
| | | ┨╼┨╌┨╍┼╌┼╍┼╶┾╌ | ┼╌┠╼╁╾╁╾┠┷╍╍╼ | ╏╌──┤───┤ | | |
| | | ╏╧┨╶┨╌╁╴╁╸┼╶┼╸ | | - | | |
| | | | | | | |

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 the client by the

enalyses. All claims including those for negligence and any other cause wholsoever shall be deemed waived unless made in whiting and received by Cardinal within 3D days after completion of the applicable service, in no event shall Control be liable for incidental or consequential damages, including without Smithation, business interruptions, loss of use, or loss of profile incurred by client, its subalcaries,

#U.

service, in no event shall contain to manifestation consequential damages, including window a macrosti, business interruptiones, asso true, or roots of promis instanted by decit, to subsidiates and and a second
| Relinquished By: | Date: Received | Ay: // | Phone Result: | D Yes | D No | Add'l Phone #: | |
|------------------------------|----------------|------------------------------|---------------|-------|------|----------------|--|
| | 10/18 | | Fax Result: | O Yes | D No | Add'l Fax #: | |
| | Time: | A CARO | REMARKS: | | | | |
| Destin | Date: Received | when | 1 | | | | |
| Relinquished By: | Date: Received | By \ | | | | | |
| | | // | | | | | |
| | Time: | V | | | | | |
| | | | | | | | |
| Delivered By: (Circle One) | | Sample Condition CHECKED BY: |] | | | | |
| | 200 | Cool Intact (Initials) | | | | | |
| Sampler - UPS - Bus - Other: | a°C, | Yes Yes COL | | | | | |
| L | | LINOLI NO I COM | 1 | | | | |

† Cardinal cannot accept verbal changes. Please fax written changes to (575) 393-2326