

Yates Petroleum Corporation

Abalone AMB State #1

Work Plan

Section 26, T14S-R33E

August 22, 2006

*application
PPAC 0618735116*

AP #947

I. Location

The well is located approximately 85 miles northeast of Artesia, NM east of County Road 457, as represented by the attached Fort Ranch, NM, USGS Quadrangle Map.

II. Background

On June 29, 2006, Yates submitted to the NMOCD District I office a C-141 report reflecting a release of 30 barrels of crude oil with 20 barrels recovered. The affected area is approximately 50 feet by 25 feet, all within the bermed area. The water dump has been repaired and contaminated soils have been excavated. Samples were collected on July 28, 2006 and sent to an OCD approved laboratory for testing. Results (enclosed) indicate that BTEX levels are within OCD Remediation Guidelines but TPH was 1,100 ppm or 100 ppm above acceptable guideline limits.

III. Surface and Ground Water

Area surface geology is Cenozoic. The nearest groundwater of record listed on the ChevronTexaco, Lea County Depth to Groundwater Water Well Facilities Trend Map dated 2/9/2005 shows depth to groundwater approximately 85 feet making the site ranking a ten (10). Watercourses in the area are dry.

The ranking for this site is ten (10) based on the as following:

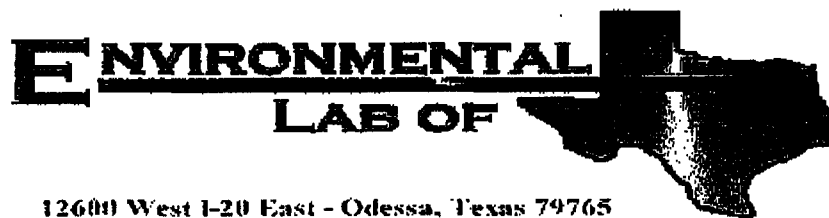
Depth to ground water	> 50-99'
Wellhead Protection Area	> 1000'
Distance to surface water body	> 1000'

IV. Soils

The area consists of sand, interspersed with caliche and clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface.

V. Scope of Work

Upon approval of this work plan, Yates Petroleum Corporation would like to treat the site in-situ for a period of ninety (90) days by a initial application of fertilizers, tilling of affected area and apply water, then every thirty (30) days for three (3) months, the affected area will be tilled and watered. Yates will take soil samples within the effected area for delineation. These samples will be sent to a certified lab and analyzed for TPH. Based on the Total Ranking Score of ten (10), RRAL's for TPH is 1000 ppm. If results are above OCD guidelines, then further remediation as described above will be implemented to attain the acceptable limits. If lab analysis reflects closure levels then Yates will contact the Oil Conservation Division to give opportunity to witness a final sampling event.



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Bob Asher

Yates Petroleum Corp.

105 S. Fourth St.

Artesia, NM 88210

Project: Abdlone AMB State #1

Project Number: None Given

Location: None Given

Lab Order Number: 6H01002

Report Date: 08/07/06

Yates Petroleum Corp.
105 S. Fourth St.
Arlene NM, 88210

Project: Abdalone AMB State #1
Project Number: None Given
Project Manager: Bob Asher

Fax: (305) 748-4662

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
Abdalone #1-004	6H01002-01	Soil	2006-07-28 12:30	2006-08-01 10:00

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Abilene AMB State #1
Project Number: None Given
Project Manager: Bob Asher

Fax: (505) 748-4662

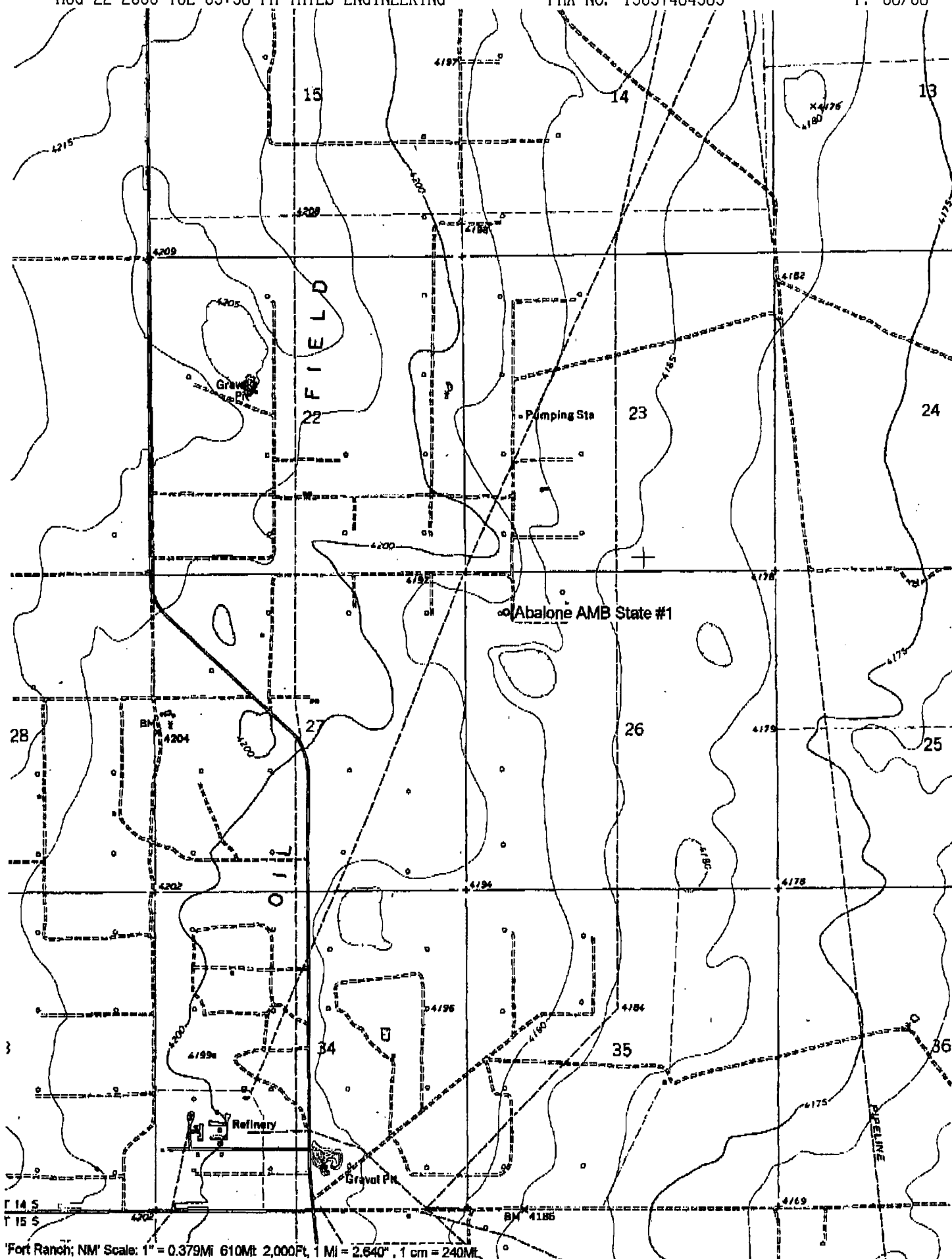
Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Abilene #1-004 (6H01002-01) Soil									
Benzene	0.140	0.0250	mg/kg dry	25	EH60402	08/04/06	08/04/06	EPA 8021B	
Toluene	3.78	0.0250	"	"	"	"	"	"	
Ethylbenzene	3.84	0.0250	"	"	"	"	"	"	
Xylene (p/m)	8.22	0.0250	"	"	"	"	"	"	
Xylene (o)	4.25	0.0250	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		140 %	80-120		"	"	"	"	S-04
Surrogate: 4-Bromofluorobenzene		138 %	80-120		"	"	"	"	S-04
Carbon Ranges C6-C12	258	10.0	mg/kg dry	1	EH00107	08/01/06	08/02/06	EPA 8015M	
Carbon Ranges C12-C28	942	10.0	"	"	"	"	"	"	
Total Hydrocarbons	1100	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		117 %	70-130		"	"	"	"	
Surrogate: 1-Chlorooctadecane		103 %	70-130		"	"	"	"	

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

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Fort Ranch, NM Scale: 1" = 0.379Mi 610Mft 2,000Ft, 1 Mi = 2.640", 1 cm = 240Mft