MARTIN YATES, III

FRANK W. YATES



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S.P. YATES CHAIRMAN EMERITUS

JOHN A. YATES

PEYTON YATES
PRESIDENT

FRANK YATES, JR.

JOHN A. YATES, JR.

OCT 0 3 2007

October 3, 2007

Mr. Mike Bratcher NMOCD District II 1301 W. Grand Ave. Artesia, NM 88210

RE:

Jacque AQJ State #1

30-015-30080

Section 34, T21S-R31E Eddy County, New Mexico

Dear Mr. Bratcher,

Enclosed please find a Form C-141, Final Report for the above captioned site regarding the release of March 7, 2007. Some of the contaminated soils were excavated and removed to an OCD approved land facility; the remaining soils were spread out within the bermed battery and treated in place by NeoKos (per our May 7, 2007 work plan). Treatment of the in place materials was conducted from April 26, 2007 until August 6, 2007. Samples were taken during that time period and sent to an approved laboratory (results are listed on enclosed sample diagram). A sampling event was requested and samples were taken on September 18, 2007. Samples were sent to an OCD approved laboratory for analysis. Based on the analytical reports no further remediation will be conducted at this site. Yates Petroleum Corporation requests closure of the site.

Thank you.

YATES PETROLEUM CORPORATION

Robert Asher

Environmental Regulatory Agent

Enclosure(s)

/rca

<u>District I</u> 1625 N French Dr , Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S St Francis Dr , Santa Fe, NM 87505

State of New Manual Resources Energy Minerals and Natural Resources OCT 0 3 2007 State of New Mexico

Revised October 10, 2003

Form C-141

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

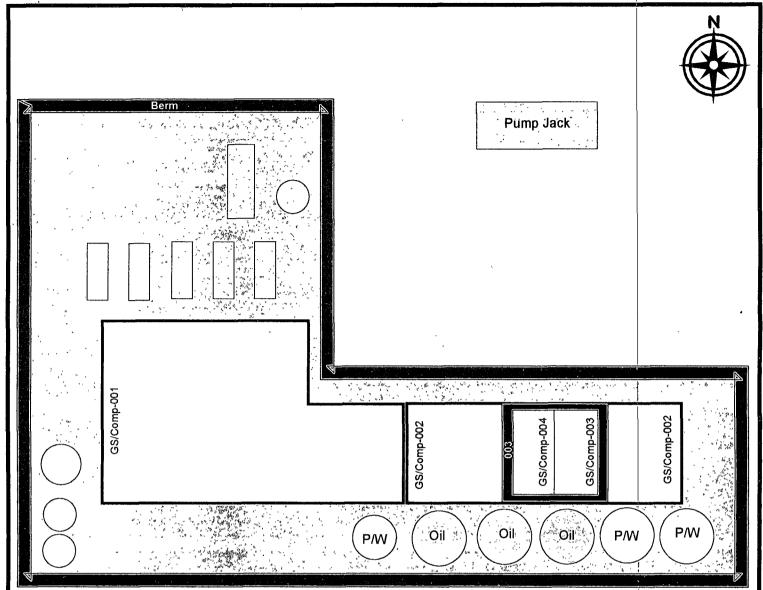
OCD-ARTESIA

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

			Rele	ease Notific	eation	and Co	orrective A	ction				
MUB071	34376	53		Ol	PERA	TOR		[] Initia	l Repor	t 🛛	Final Report
Name of Co	ompany		•	OGRID Nun	1	Contact						
Yates Petro	leum Corp	oration		25575		Robert Ash						
Address	4.1 0	A	4 00010			Telephone 1						
105 South		Artesia, Niv	1 88210	API Number		505-748-14					<u> </u>	
Facility Nat Jacque AQJ				30-015-3008	i .	Facility Typ Battery	е					•
Jacque AQJ	State #1			30-013-3008	0	Бансту					l	
Surface Ow	ner			Mineral C)wner		·		Lease N			
State				State			· · · · · · · · · · · · · · · · · · ·		V-4100	1		
				LOCA	TIOI	OF RE	LEASE					
Unit Letter	Section	Township	Range	Feet from the	North/	South Line	Feet from the		est Line	Count	ý	
M	34	218	31E	330		South	330	V	Vest	Eddy		
	<u></u>			I 414 I 22	42044	T	100 77075				<u> </u>	
	Latitude 32.42844 Longitude 103.77275											
CD 1				NAT	URE	OF REL			17 1 T	,	1	
Type of Rele Crude Oil	ase					Volume of 95 B/O	Release		Volume F 90 B/O	Recovere	ed 	
Source of Re	lease						Hour of Occurrence	e	Date and	Hour of	iDiscover	v
Production T						4/7/2007 A	AM		4/7/2007			
Was Immedi	ate Notice (, –		If YES, To						
		\boxtimes	Yes [] No 🗌 Not R	equired	Mike Brat	cher/OCD					
By Whom?						Date and I						
Jerry Fanning			ration	•		4/7/2007;		1 . 337 . 4 .			i	
Was a Water	course Read	ched?	Yes ∑	1 No		N/A	olume Impacting t	ne wate	rcourse.			
If a Watercou	urse was Im	pacted, Descr				10/12						
N/A Describe Cau	ise of Proble	em and Reme	dial Actio	n Taken *							<u> </u>	
					nes clos	ed, valve for	empty production	tank no	t opened, a	ıll produ	 ction wen	t into full tank
				r vacuum truck ar					• ,	•		
Describe Are					11	t autaida af .	wast side of harm	aammlaa	نطنيد لممما	" OCD	 Guidalina	a) vaavum
							vest side of berm, excavated and ha					
vertical and l	norizontal d	elineation wa	s made an	d corrective action	ı taken (in place reme	ediation completed	d, final s	amples tak	en). De	pth to G	round Water:
1 '				ce to Surface Wa	ter Bod	y: >1000', S	ITE RANKING	IS 0. W	ith enclose	ed infor	mation, Y	l'ates
Petroleum C					1.4.4.4	1	knowledge and u		. 1 414		NACCD	11
							nd perform correc					
							arked as "Final R					
should their	operations h	ave failed to	adequately	vinvestigate and r	emediat	e contaminat	ion that pose a thr	eat to gr	ound wate	r, surfac	e water, h	uman health
or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responded federal, state or local laws and/or regulations.										omplian	ce with a	ny other
federal, state	or tecal lay	ws and/or regi	ulations.				OIL COM	arnv	ATTONI	DIVI	CIONI	
[TIM GUM										<u> </u>	
Signature	200	4										
Signature by MB Approved by District Superviso.										/		
Printed Name	e Robert A	sher				• • •	-		Mil.	r Br	Medes	
Title: Enviro	nmental Re	gulatory Agei	nt			Approval Da	MAY 2 9 200	8 I	Expiration	Date:	Alla	
							1		-F 22.011	T	12 (12	
E-mail Addre	ess: boba@y	ypenm.com				Conditions o	f Approval:			Attac	hed	
Date: Wedne	sday, Octob	er 03, 2007]	Phone: 505-748-4	217							

2RP-60

^{*} Attach Additional Sheets If Necessary



Sample ID	Sample Date	Sample Type	Depth	BTEX	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
GS/Comp-001	4/26/2007	Grab	6" - 12"	1.17	186	5980	6170
Sec. I	5/30/2007	Grab	6" - 12"		* * * * * * * * * * * * * * * * * * * *	, ,	4730
001	6/18/2007	Grab	6" - 12"	ND	ND	5060	5060
GS/Comp-001	8/6/2007	Grab	4"-6"	ND	14.2	1460	1474.2
GS/Comp-001	9/18/2007	Grab	4"	ND	ND	2820	2820.0
GS/Comp-002	4/26/2007	Grab	6" - 12"	34.84	1820	13300	15100
Sec. II	5/30/2007	Grab	6" - 12"			· ,	12000
002	6/18/2007	Grab	6" - 12"	0.353	ND	10600	10600
GS/Comp-002	8/6/2007	Grab	4"-6"	ND	16.7	3390	3406.7
GS/Comp-002	9/18/2007	Grab	4"	ND	64.3	3410	3474.30
003	6/18/2007	Grab	6" - 1 <i>2</i> "	0.029	ND	11100	11100
GS/Comp-003	8/6/2007	Grab	4"-6"	ND	35.9	3900	3935.9
GS/Comp-003	9/18/2007	Grab	4"	ND	ND	3520	3520
GS/Comp-004	8/6/2007	Grab	4"-6"	ND	84.9	4430	4514.9
GS/Comp-004	9/18/2007	Grab	4"	ND	ND	2200	2200

Site Ranking is Zero (0). Depth to Ground Water >100' (approx. 125'). All results are ppm. Sample OO3 (6/18/2007), red outline on diagram was an area divided into two separate plots and treated individually.



Jacque AQJ State #1
Section 34, T21S-R31E
Eddy County, NM

EXHIBIT
Sample Diagram (Not to Scale)

Prepared by Robert Asher Environmental Regulatory Agent October 3, 2007

Analytical Report 289860

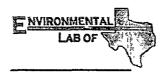
for

Yates Petroleum Corporation

Project Manager: Robert Asher

Jacque AQJ State # 1 30-015-30080

28-SEP-07



12600 West I-20 East Odessa, Texas 79765

A Xenco Laboratories Company

Texas certification numbers: Houston, TX T104704215

Florida certification numbers:
Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America Midland - Corpus Christi - Atlanta



Sample Pictures. WO# 289860

Yates Petroleum Corporation, Artesia, NM

Jacque AQJ State # 1

Midland/Odessa Standard List of Methods



28-SEP-07

Project Manager: Robert Asher Yates Petroleum Corporation 105 South Fourth St. Artesia, NM 88210

Reference: XENCO Report No: 289860

Jacque AQJ State #1

Project Address: Eddy County

Robert Asher:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 289860. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

Unless otherwise noted in a Case Narrative; all data reported in this Analytical Report are in compliance with NELAC standards. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. Should insufficient sample be provided to the laboratory to meet the method and NELAC Matrix Duplicate and Matrix Spike requirements, then the data will be analyzed, evaluated and reported using all other available quality control measures.

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 289860 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

We thank you for selecting XENCO Laboratories to serve your analytical needs. If you have any questions concerning this report, please feel free to contact us at any time.

Respectfully,

Brent Barron

Odessa Laboratory Director

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Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America



Sample Cross Reference 289860

Yates Petroleum Corporation, Artesia, NM

Jacque AQJ State # 1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-001	S	Sep-18-07 10:31	4 - 4 In	289860-001
GS/Comp-002	S	Sep-18-07 10:43	4 - 4 In	289860-002
GS/Comp-003	S	Sep-18-07 10.52	4 - 4 In	289860-003
GS/Comp-004	S	Sep-18-07 11:01	4 - 4 In	289860-004



Project Id: 30-015-30080

Contact: Robert Asher

Project Location: Eddy County

Certificate of Analysis Summary 289860

Yates Petroleum Corporation, Artesia, NM

Project Name: Jacque AQJ State #1

Date Received in Lab: Wed Sep-19-07 10:30 am

Report Date: 28-SEP-07

roject Location: Eddy County						
من دریت بدست به مدر ماید در بردند در موسان می موسان به موسان در موسان می در در در موسان می موسان می است است و م				approximate and reservoire and account of the section of the secti	Project Manager:	Brent Barron, II
	Lab Id.	289860-001	289860-002	289860-003	289860-004	
Analysis Requested	Field Id:	GS/Comp-001	GS/Comp-002	GS/Comp-003	GS/Comp-004	
Anaysis Nequesieu	Depth:	4-4 In	4-4 In	4-4 In	4.4 In	
	Matrix:	SOIL	SOIL	SOIL	SOIL	
	Sampled:	Sep-18-07 10:31	Sep-18-07 10 43	Sep-18-07 10:52	Sep-18-07 11 01	
BTEX by EPA 8021B	Extracted:	Sep-27-07 16 00	Sep-25-07 14 40	Sep-27-07 16 00	Sep-27-07 16 00	
7 1 2 1 2 0 2 4 2	Analyzed:	Sep-27-07 18 52	Sep-25-07 17 46	Sep-27-07 19 09	Sep-27-07 19 26	
	Units/RL:	mg/kg RI.	mg/kg RL	mg/kg RL	mg/kg RL	
Benzene		ND 0 0011	ND 0 0011	ND 0 0011	ND 00012	
Toluene		ND 0 0011	ND 0 0011	ND 0.0011	ND 00012	
Ethylbenzene		ND 0.0011	ND 0 0011	ND 0 0011	ND 00012	
m,p-Xylene		ND 0 0021	ND 0 0023	ND 0 0022	· ND 0 0024	
o-Xylene		ND 0 0011	ND 0.0011	ND 0.0011	VID 0 0012	
Total Xylenes		ND	ND	ND	ND	
Total BTEX		ND	ND	ZID	ND	
Percent Moisture	Extracted:	,				
	Analyzed:	Sep-19-07 11 20	Sep-19-07 11:20	Sep-19-07 11 20	Sep-19-07 11:20	
	Units/RL:	% RL	% RL	% RL	% RL	1
Percent Moisture		5 43 1 00	130 100	9,43 1 00	168 100	
TPH by SW 8015B	Extracted:	Sep-21-07 10 30	Sep-21-07 10:30	Sep-21-07 10 30	Sep-21-07 10:30	
	Analyzed:	Sep-21-07 20 45	Sep-21-07 21 13	Sep-21-07 21 41	Sep-21-07 22 08	
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL	mg∕kg RL	
C6-C10 Gasoline Range Hydrocarbons		ND 52.9	64 3 57.4	ND 55.2	ND 601	
C10-C28 Diesel Range Hydrocarbons		2820 52.9	3 ,410 57 4	3520 55.2	2200 601	
Total TPH		2320	3474.3	3520	2200	

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories, ASENCO Laboratories, assumes no responsibility and majors no warranty to the end use of the data hereby presented. Our liability is limited to the amount involved for this wink order unless otherwise agreed to us writing.

Smce 1990 Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America

Odessa Laboratory Director

Flagging Criteria

- X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to effect the recovery of the spike concentration. This condition could also effect the relative percent difference in the MS/MSD.
- **B** A target-analyte or common laboratory contaminant-was-identified in the method blank. Its presence indicates possible field or laboratory contamination.
- **D** The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.
- E The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.
- F RPD exceeded lab control limits.
- J The target analyte was positively identified below the MQL and above the SQL.
- U Analyte was not detected.
- L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte.

 The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
- H The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
- K Sample analyzed outside of recommended hold time.
- * Outside XENCO'S scope of NELAC Accreditation

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Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East Odessa, Texas 79766 Phone: 432-663-1800 Fax: 432-663-1713

	Project Manager Robert As	her			······································					-						-	Pr	ojec	t Na	me:	Jac	que	A e	an s	tate	<u>* #1</u>					Paparate	
	Company Name Yetes Pet	oleum Corporate	on				-									_		Pr	ojec	t #:_	30-	015	-30	080	i						14214A	
	Company Address: 105 South	4th Street	*		, e Malla (1911) - mai e a e de 1897 - mai e a e			************	-				-			_	ı	Proje	ect L	.oc:_	Edd	y Co	unt	Y				medicy)bisses				
	City/State/Zip: Artesia, N	M 88210		~										·	~~.	•			P) #: <u>.</u>	1050	332			-			Bentel ju j			-	
	Telephone No. 505-748-4	217	wyw dingua	فعدوم بالاستراق ا	وخردنة لوجلور ويجمعنان الاستحاط الإرز	Fax No:		50:	5-74	3-40	62					F	gebor	t Fo	rmat	: [X.	Stan	idar	d		T	'RRI	5] NP	DES	ı
	Sampler Signature	Joseph	() ()	1.	, p. degrave de annoua se su p. p. degrave de annoua se su p. p. degrave de la constant de la constant de la c	e-mail:		bo	ba	(Q) y	pcı	ım.	.ço	<u>m</u>					-			-		to process	بمورس	(Appended		-	- Alexander	Number 1874		i
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LAB # (leb use anty)	FIELD CODE		Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Freshor Filtranect	Total #, of Contamers						Na,S,O,		St. Surfa	GW & Groundwater S=SnakSuid NPHRus Potable Specify Other	TPH 4181 8015M 3015B	TPH. TX 1005 TX 1006	Cadores (Ca.; Mg, Ma, H)	Anions (Cl., SO4, Alicalimity)	SAR / ESP / CEC	WESS AS AS TO CHOOSE SE	Volatives	Semivorations	BIEX 8021805050 or BIEX 6250 PCI	10 M	N O K.M. Charides			RUSH TAT (Pro-Schaddia) 24, 48,	Standard TAT
Ol	GS/Comp-001		4"	4"	9/18/2007	10:31 AM			х						T		S	Х						I		x	I			\prod		x
01	GS/Comp-002	'	4"	4"	9/18/2007	10:43 AM			X						T		S	X						I	T	x	I			\mathbb{I}		Х
03	GS/Comp-003		4"	4"	9/18/2007	10:52 AM			X								s	X				I				x		I				Х
94	GS/Comp-004		4"	4"	9/18/2007	11:01 AM			Х						L		s	X				\Box				X.	1			_		Х
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Robert Ast Relinquish	ner PCA/UPC	09/18/07 Date		PM me	Received by:			•				******		+	Ď	de	-	Tim		Çusi Şam	lody iple by Si	seal Han Impl	is or d Di Jer/C	coci nevile theil	ler(s) ed Rep	7		ستاسد	Y		NNN	
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Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client:	<u> Yates</u>					
Date/ Time:	9-19-0	1 10:30				
Lab ID#:		19860				
Initials.		au				
		Sample Receipt	Checklist			Client initials
#1 Tempera	iture of containe	r/ cooler?	Yes	No	1.0 °C	7
	container in go		(es)	No		
		shipping container/ cooler?	(es)	No	Not Present	
		sample bottles/ container?	Yeş	No	Not Present	
The second live of the last of	Custody preser		Yes	No		
		plete of Chain of Custody?	Yes)	No		
		when relinquished/ received?	Yes	No		
		with sample label(s)?	Yes?	No	1D written on Cont./ Lid	
	er label(s) legible		(es)	No	Not Applicable	
		es agree with Chain of Custody?	(fes)	No		
	ers supplied by		Yes)	No		<u> </u>
	s in proper cont		Yes	No	See Below	
	s properly prese	rved?	Yes	No	See Below	
	bottles intact?		11 (95)	40		
		ted on Chain of Custody?		No		
		on Chain of Custody?	Yes	No		
		int for indicated test(s)?	(es)	No	See Below	
	······································	thin sufficient hold time?	(res)	No	See Below	
	tract of sample(Yes	No	Not Applicable	_
#20 VOC sa	mples have zer	o neadspace?	Yes	No.	Not Applicable	
		Variance Docu	mentation			
Contact:		Contacted by:		-	Date/ Time:	
Regarding:	本14. 5ap	iple GS/comp-our boo	cken			
Corrective Ac	etion Taken:			*** • • • • • • • • • • • • • • • • • •		
Check all tha	t Apply: [[See attached e-mail/ fax Client understands and wou Cooling process had begun	-		•	

Bratcher, Mike, EMNRD

From:

Bob Asher [boba@YPCNM.COM]

Sent:

Monday, July 16, 2007 4:08 PM

To:

Bratcher, Mike, EMNRD

Subject: Jacque AQJ State #1

Mike,

Just to update, we are still working on above location, should only be a few more weeks to finish.

Robert Asher Yates Petroleum Corporation 505-748-4217 (Office) 505-748-4662 (Fax) 505-365-4021 (Cell)

Bratcher, Mike, EMNRD

From:

Bob Asher [boba@YPCNM.COM]

Sent:

Tuesday, July 31, 2007 8:12 AM

To:

Bratcher, Mike, EMNRD

Subject: Jacque-AQJ-State-#1_)

Mike,

The following is for your records. NeoKos made two (2) applications for remediation work at the above location this past week, July 26, 2007 and July 30, 2007. I will sample next week to see where TPH levels are at, if results are within OCD guidelines I will request a final sampling event.

Thank you and my apologies for not e-mailing you sooner.

Robert Asher Yates Petroleum Corporation 505-748-4217 (Office) 505-748-4662 (Fax) 505-365-4021 (Cell)

Bratcher, Mike, EMNRD

From:

Bratcher, Mike, EMNRD

Sent:

Monday, September 17, 2007 9:09 AM

To:

'Bob Asher'

Subject: RE: Sampling Event

Bob,

This sampling event is scheduled as requested. In the event an OCD representative is unavailable to witness, please proceed with obtaining samples.

Thank you,

Mike Bratcher NMOCD District 2

From: Bob Asher [mailto:boba@YPCNM.COM] **Sent:** Monday, September 17, 2007 8:36 AM

To: Bratcher, Mike, EMNRD **Subject:** Sampling Event

Mike,

I would like to request a sampling event at the following location for 10:00 AM on September 18, 2007.

Clacque AQI-State-#1 30-015-30080 Section 34, T21S-R31E Eddy County, New Mexico

Thank you.

Robert Asher Yates Petroleum Corporation Artesia, New Mexico 505-748-4217 (Office) 505-748-4662 (Fax) 505-365-4021 (Cell)

FAX NO. 15057484585

District [
1625 N. French Dr., Hubbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Britzos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

n

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141 Revised October 10, 2003

Submit 2 Copies to appropriate District Office in accordance with Rule 146 on back side of form

0-015-	30080		Rele	ease Notific	cation	and Co	rrective A	ction						
MLB071	243765	73		O	PERA	TOR		\boxtimes 1	nitial Report	Fins	al Report			
Name of C	ompany	<u>/ </u>	· - -	OGRID Nui	*	Contact			······	, , -				
Yates Perro		oration		25575		Robert Asho	er'			t				
Address	71 04111 001 P					Telephone N		····						
	4th Street.	Artesia, NM	1 88210			505-748-14								
Facility Na		Terrosia, Tim		API Number		Facility Typ				<u> </u>				
Income AC	I State #1			30-015-3008	1	Battery	•							
														
Surface Ov	yner			Mineral (Owner				ase No.					
State				State			· ·- 	V-	4100					
				LOC	ATIO	N OF REI	LEASE							
Unit Letter	Section	Township	Range	Feet from the	North	South Line	Feet from the	East/West I	ine County					
М	34	218	3115	330		South	330	West	Eddy					
			<u> </u>					<u> </u>	,	\				
				Latitude 32	.42844	_ Longitude	<u> 103.77275</u>							
				NA"	TURE.	OF REL			····					
Type of Rel	ease					Volume of 95 B/O	[*] Release	Vol 90 1	unie Recovered	1				
Crude Oil Source of R	elease						lour of Occurren		e and Hour of L	Discovery	•			
Production						4/7/2007 /			2007 AM	_				
Was Immed		Given?				ICYES, To	Whom?							
		×] Yes [] No 🗌 Not R	t equired	Mike Brate	cher/OCD							
By Whom?					• • • • • • • • • • • • • • • • • • • •	Date and I	lour			- 				
Jerry Fannii	ig/Yates Pei	roleum Corpo	ration			4/7/2007;	10.55 AM							
Was a Wate						If YES, V	olume Impacting	the Watercou	rse.					
] Yes_[2	🕽 No 🔣		N/A								
	ourse was lar	pricted, Desc	ribe Fully.	+										
<u>N</u> /Λ														
Describe Ca	use of Probl	em and Rema	dai Achd	m Taken *) and creulating l	tana alaa	and and an Con-	ومأنص الحسير ويستري	n tani not and	and all academ	lum word utte	o full tank			
Valve on 10	n tank of pri	agueeg on ter	ropen, r.c. e-ealled û	or vacuum truck a	ant evest	zation erese	empty production	n tank not ope	area, an produc		a run tuns			
causing it it	overnow, a	Witched rank	i, cancu ii	or vacation index o	1110 5.454	varion Ciew.				İ				
Describe Ar	es Affected	and Cleanup	Action Ta	ken.*						i i				
Aren approx	dimately 142	" X 12" most	contained	inside berm (sm:	ill amour	n outside of v	vest side of berm	i), vacuum tru	ek picked up fre	se fluid, stear	ner truck			
cleaned taul	ss. Contami	nated soils be	nig excav	gted and hauled to	a an OCI	Dapproved la	ınd disposal facili	ity, vertical an	d horizontal de	lin¢ation will	I be made			
		ten. Depth to	Ground	Water: >100', V	Vellhead	Protection /	Arca: No, Distan	ice to Surface	Water Body:	>1000', SIT'	E			
RANKING	IS 0.													
		<i>a</i> .1				hadaa aa aa aa	to a later and			INACOCOLOlos				
I hereby cer	hfy fint the	intormation p	uven abov	e is true mid com nd/or file certain	piete to t	ne pest of my	, kuomieda ma	understand (ni	at pursuant to N	ely meny angla	v ana			
regulations	an operators	are required wassant. Th	to report a	nazor ine certam ice of a C-141 rep	retease n seet by th	omicanons a	nu periorni corre orbot oc "Final I	Report" does i	ior releases was	perator of lis	ihility ihility			
public near	n of the chivi	ntifficial in Nave failed to	adeauatel	y investigate and	rensediat	le contaminat	ion that cose a th	rest to ground	l water, surface	water huma	n health			
or the covir	operations i	addition NM	OCD acce	ptance of a C-141	l renort d	loes not relies	ve the operator of	f responsibility	for compliance	e with any ot	her			
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Signature:	1		<u>(</u>	,		_ TIM GUM								
						Approved by	District Supervi	SOIL DV M	Bullo					
Printed Nag	ne: Robert A	sher	· · · ·			· · · · ·	·	- , .vi	- TIMIY F	SMICHES	ب			
Title: Envir	onmental Re	gulatory Age	nt		ļ	Approval Da	10: 5/14/07	7 Expir	ration Date.					
E-mail Add	ress, bobatā)	урепт.сош		······································		Conditions o	of Approval: Ro	ファバビスソイトナんとり	Attach	ned 🔲				
				•••		APPRONES	work plan	/	1					
Date: These				<u>=: 505-748</u> -4217	٢		- Juny				**			
Attach Ado	litional She	ets If Neces	sary											



Robert,

The proposal to remediate contaminated materials in-situ at this site is approved as presented. Please notify the NMOCD District 2 office 24 hours prior to product application and 24 hours prior to obtaining samples where analyses of samples obtained are to be submitted to the NMOCD. As a condition of approval, NMOCD may require additional sampling as deemed necessary to insure proper remediation has been obtained at this site.

Be advised that approval of this remediation proposal does not relieve Yates Petroleum of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, this approval does not relieve Yates Petroleum of responsibility for compliance with any other federal, state, local laws and/or regulations.

Sincerely,

Mike Bratcher NMOCD District 2 1301 W. Grand Ave. Artesia, NM 88210 505-748-1283 Ext. 108 505-626-0857 mike.bratcher@state.nm.us

From: Bob Asher [mailto:boba@YPCNM.COM] Sent: Tuesday, May 08, 2007 11:50 AM

To: Bratcher, Mike, EMNRD **Subject:** Jacque AQJ State #1

Mike,

Per our meeting this morning, Yates Petroleum Corporation is requesting approval of the work plan, dated May 7, 2007.

Thank you for your time this morning and consideration with the remediation of this project.

Robert-Asher, Yates Petroleum, Corporation, 505-748-4217 (Office), 505-365-4021, (Cell); 505-748-4662, (Pax).



MARTIN YATES, III 1912-1985

FRANK W. YATES
1936-1988

Marth - No.



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (505) 748-1471

Month - Year MAY 8 2007 CCD - ARTESIA, NIM

May 7, 2007

Mr. Mike Bratcher NMOCD District II 1301 West Grand Artesia, NM 88210

Re:

Jacque AQJ State #1

30-015-30080

Section 34, T21S-R31E Eddy County, New Mexico

Dear Mr Bratcher

Yates Petroleum Corporation would like to submit for your consideration the enclosed work plan for the above captioned well. The plan is being submitted in response to the C-141 dated April 10, 2007. Scope of work described in the plan will be conducted as soon as the work plan is approved and the contractor is scheduled

If you have any questions call me at (505) 748-4217

Thank you

YATES PETROLEUM CORPROATION

Robert Asher

Environmental Regulatory Agent

Enclosure(s)

S.P. YATES

CHAIRMAN EMERITUS

CHAIRMAN OF THE BOARD

PEYTON YATES
PRESIDENT
FRANK YATES, JR.

EXECUTIVE VICE PRESIDENT

JOHN A. YATES, JR.





Yates Petroleum Corporation

Jacque AQJ State #1 Work Plan

Section 34, T21S-R31E

Eddy County, New Mexico

May 7, 2007



I. Location

The well is located approximately 33 miles east of Carlsbad, NM, west of Louis Whitlock Road (Wipp Site Road), as represented by the attached Livingston Ridge, NM, USGS Quadrangle Map

II. Background

On April 10, 2007, Yates submitted to the NMOCD District II office a C-141 report reflecting a release of 95 barrels of crude oil from a production tank. There were 90 barrels of oil to recover, contaminated soils were excavated and stockpiled on the battery inside the berm. The contaminated soils have now been spread out at an approximate depth of 12" to be tested and treated in place. The affected area is approximately 142 feet by 12 feet.

III. Surface and Ground Water

Area surface geology is Cenozoic The nearest groundwater of record is listed on the ChevronTexaco, Eddy County Depth to Groundwater Water Well Facilities Trend Map dated 2/9/2005 shows the depth to groundwater is approximately 125 feet (Unit Letter M, Section 34, T21S-R31E) making the site ranking for this site a zero (0) Any watercourses in the area are dry except for infrequent flows in response to major precipitation events.

The ranking for this site is zero (0) based on the as following:

Depth to ground water > 100'
Wellhead Protection Area > 1000'
Distance to surface water body > 1000'

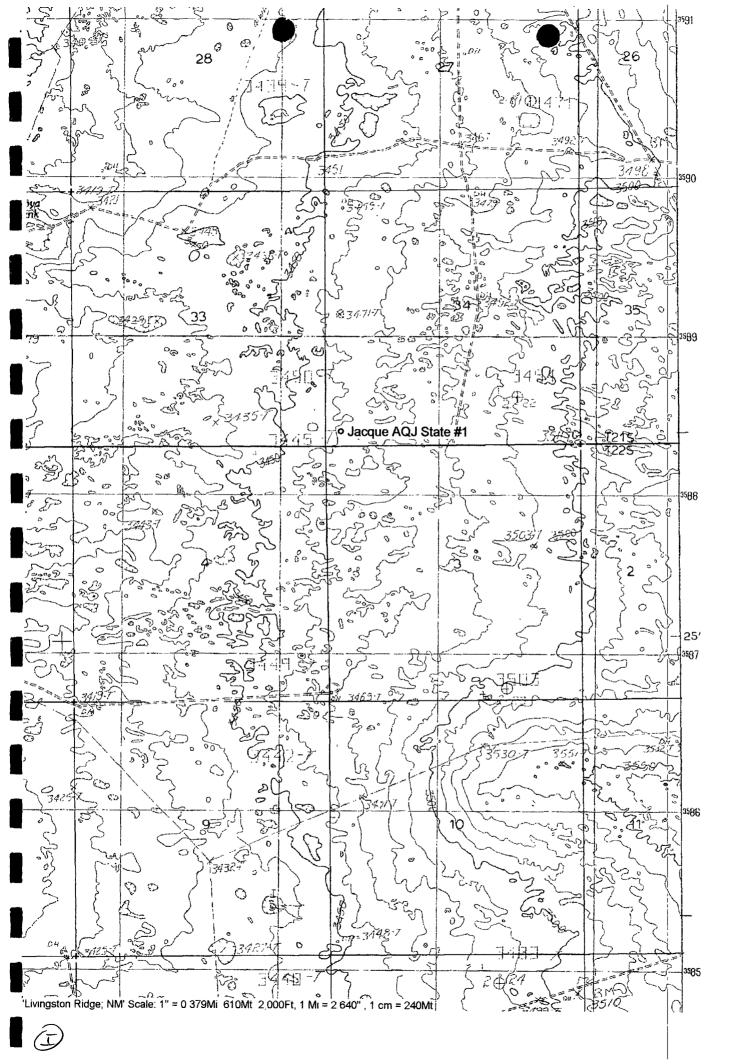
IV. Soils

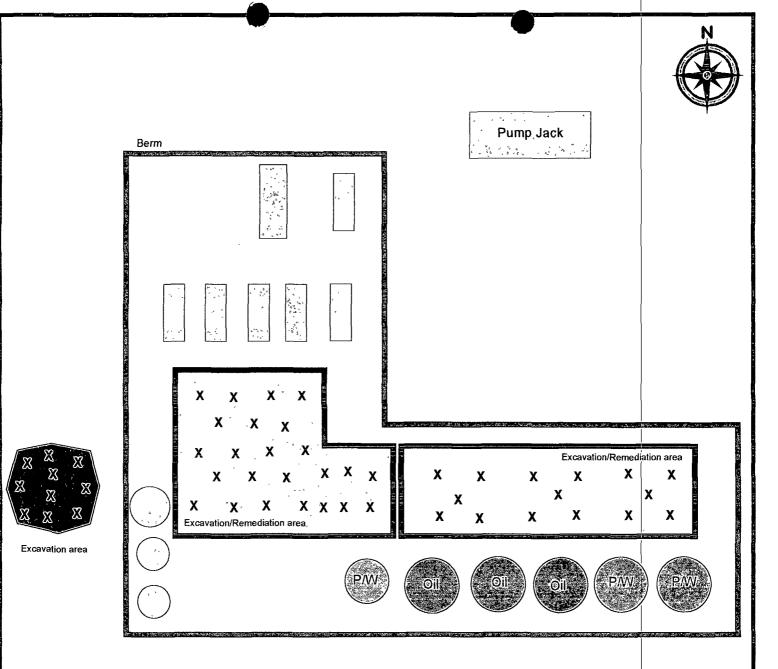
The area consists of soils that are sand and interspersed with caliche and clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface

V. Scope of Work

Upon approval of this work plan, Yates Petroleum Corporation and Ken Lunde of Neokos would like to treat the site in-situ for a period of 35 days. The Neokos process consists of six proprietary biological components which are all introduced into the contaminated area during the initial application process. One of the components is then applied to the soil on a bi-weekly and /or weekly basis until the site is remediated to regulatory standards.

Yates will re-sample, and these samples will be sent to a certified lab and analyzed for BTEX and TPH. Based on the Total Ranking Score of zero (0), RRAL's for BTEX is 50 ppm and TPH is 5000 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.





Sample ID	Sample Date	-Sample Type	Depth	BTEX	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
GS/Comp-001	4/26/2007	Grab	4"	1.17	186	5980	6170
GS/Comp-002	4/26/2007	Grab	6"	34 84	1820	13300	15100
@S/Comp-008	4/26/2007	Grab	6	ND	ND	349	349

Site Ranking is Zero (0). Depth to Ground Water > 100' (approx. 125')

All results are ppm.

Analytical testing performed at Environmental Lab of Texas.

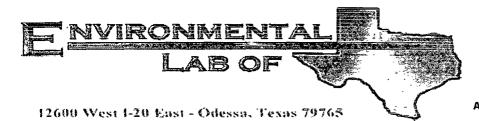
X - Denotes sample point taken.



Jacque AQJ State #1
Section 34, T21S-R31E
Eddy County, NM

EXHIBIT
Sample Diagram (Not to Scale)

Prepared by Robert Asher Environmental Regulatory Agent May 7, 2007



A Xenco Laboratories Company

Analytical Report

Prepared for:

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

Project: Jacque AQJ State # 1
Project Number: 30-015-30080
Location: Eddy County

Lab Order Number: 7D26005

Report Date: 05/02/07

Yates Petroleum Corp.

Project. Jacque AQJ State # 1

105 S. Fourth St. Artesia NM, 88210 Project Number. 30-015-30080 Project Manager. Robert Asher Fax (505) 748-4662

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
GS/Comp - 001	7D26005-01	Soil	04/26/07 09:43	04-26-2007 15:55
GS/Comp - 002	7D26005-02	Soil	04/26/07 10:18	04-26-2007 15:55
GS/Comp - 003	7D26005-03	Soil	04/26/07 10:46	04-26-2007 15:55

Yates Petroleum Corp.

Project: Jacque AQJ State # 1

Fax: (505) 748-4662

105 S. Fourth St Artesia NM, 88210 Project Number. 30-015-30080 Project Manager: Robert Asher

Organics by GC
Environmental Lab of Texas

		Reporting								
Analyte	Result	Limit	Units	Dilution	Batch	Prepared	Analyzed	Meth	od	Notes
GS/Comp - 001 (7D26005-01) Soil										
Benzene	ND	0.0250	mg/kg dry	25	ED73006	04/30/07	05/02/07	EPA 8	U21B	
Toluene	0.104	0,0250	u	"	n	и	"	"		
Ethylbenzene	0.167	0.0250	п	п	Ħ	#	n			
Xylene (p/m)	0.580	0.0250	**	н	ıı	**	U	7		
Xylene (o)	0.316	0 0250		"	п	"	п	"		
Surrogate: a,a,a-Trifluorotoluene		90.4 %	75-1	25	rr .	"	"	, 		
Surrogate: 4-Bromofluorobenzene		936%	75-1	25	"	"	,,	.! 		
Carbon Ranges C6-C10	186	50.0	mg/kg dry	5	ED72701	04/27/07	05/01/07	EPA 8	015B	
Carbon Ranges >C10-C28	5980	50.0	"	н	n	n	и	,,		
Total Carbon Range C6-C28	6170	50,0	H	п	*	7	*	11		
Surrogate: 1-Chlorooctane		133%	70-1	30	**	"	•,			S-06
Surrogate 1-Chlorooctadecane		288%	70-1	30	"	"	н			S-06
GS/Comp - 002 (7D26005-02) Soil										
Benzene	0.479	0.100	mg/kg dry	100	ED 73 006	04/30/07	04/30/07	EPA 80	021B	
Toluene	5.68	0 100	•	н	n	"	"			
Ethylbenzene	5.38	0.100	n	п	n	II .	**	26		
Xylene (p/m)	15.9	0.100	u	n	"	u	tı .	u u		
Xylene (o)	7.40	0 100	"	"				ır		
Surrogate. a,a,a-Trifluorotoluene		130 %	75-1	25	"	10	·i	, 		5-04
Surrogute: 4-Bromofluorobenzene		139 %	75-1	25	"	"	"	,,		S-04
Carbon Ranges C6-C10	1820	50.0	mg/kg dry	5	ED72701	04/27/07	05/01/07	EPA 80	015B	
Carbon Ranges >C10-C28	13300	50.0	"	*	n	и	ų.	*		
Total Carbon Range C6-C28	15100	50.0	*	n	n	n				
Surrogate 1-Chlorooctane		49.0 %	70-1	30	"	"	"	, 		S-06
Surrogate: 1-Chlorooctadecane		50.0 %	70-1	30	n	"	"	,, 		S-06
GS/Comp - 003 (7D26005-03) Soil										
Benzene	ND	0.00200	mg/kg dry	2	ED73006	04/30/07	04/30/07	EPA 8	021B	
Toluene	ND	0.00200	tt .	п	n	n	ij.			
Ethylbenzene	ND	0.00200	7	"	u.	ıf	п	I		
Xylene (p/m)	ND	0.00200	,	15	n	a	ÿ	"		
Xylene (o)	ND	0.00200	29	•		#	ā	"		
Surrogute: a,u,u-Trifluorotoluene		870%	75-1	25	"	"	"			
Surrogate: 4-Bromofluorobenzene		85 4 %	75-1	25	"	"	"	,		
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	ED72701	04/27/07	05/01/07	EPA 8	015B	
Carbon Ranges >C10-C28	349	10.0	u	11	,	п	n	n		
Total Carbon Range C6-C28	349	10 0	"	,,			*	"		

Environmental Lab of Texas

A Xenco Laboratories Company

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.

Page 2 of 9



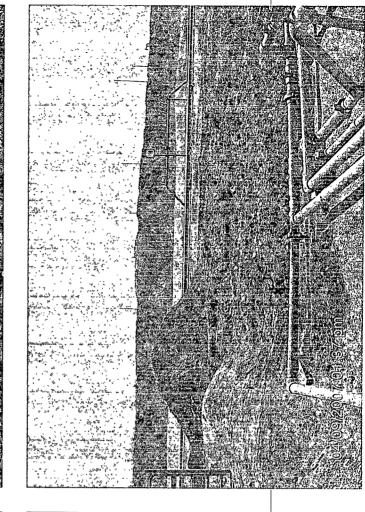


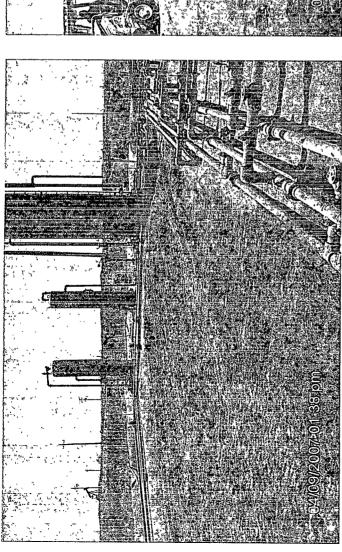
Environmental Lab of Texas

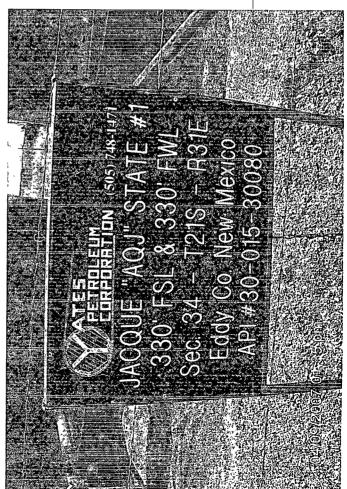
CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

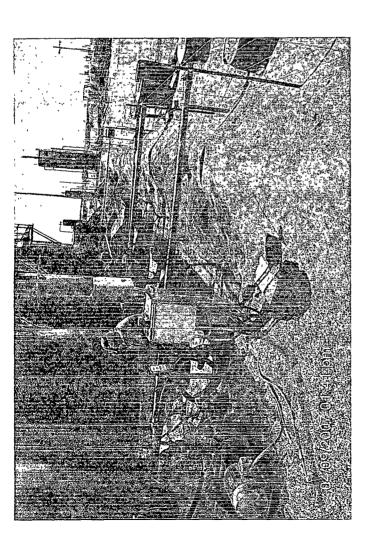
12600 West 1-20 East Odessa, Texas 79765 Phone: 432-563-1800 Fax: 432-563-1713

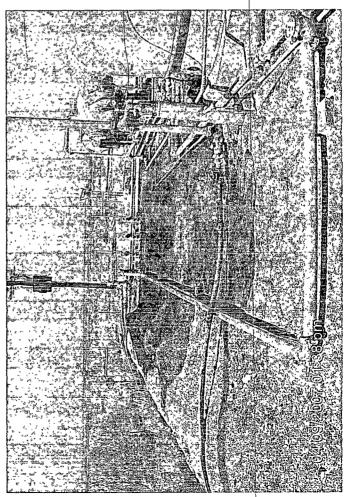
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Company Address: 10	5 South 4th Street														ı	Pi	rojec	t La	c: <u>E</u> c	idy C	Joun	ty					·			
City/State/Zip: Art	esia, NM 88210			*****					-									PO	#: <u>10</u>	5632	2									
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28 (sp nse only)	52	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	ield Filtered	Total #. of Containers	eol	ľ. Š	H.SO.	HOGN	Na,S ₂ O ₃	None	Other (Specify)	OW=Ornking Water St.=Studge	Specify Other	418.1 8015M	TPH. TX 1005 TX 1006	Cauons (Ce mg, Na, N) Anions (Cl. SO4, Alkalinity)	SAR / ESP / CEC	Cd Cr Pb Hg		Semvolatiles	BTEX 80218/5030 or BTEX 8260	RCI	NO.RM Chlondes	4110114655		RUSH TAT (Pre-Schedde) 24,	Standard TAT
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03 GS (BMP-		L	6	4/24/07	10461		1	X	\prod		\prod	$oxed{L}$			(5	X		floor	\prod	I	\square		又 人		$oxed{oxed}}}}}}}}}}}}}}}}}}}}}}} $	I			X
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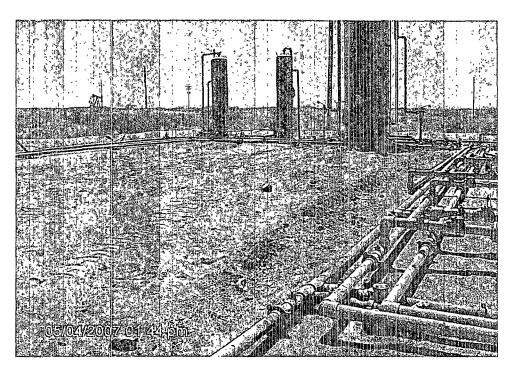


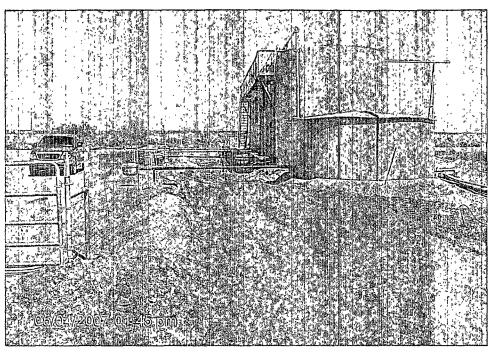


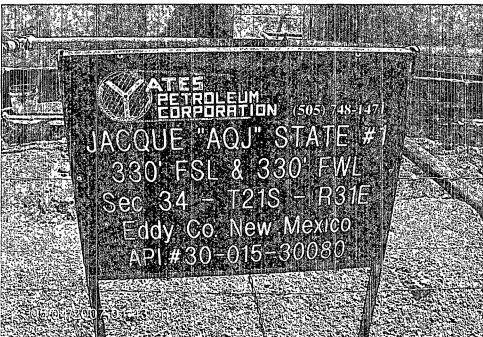


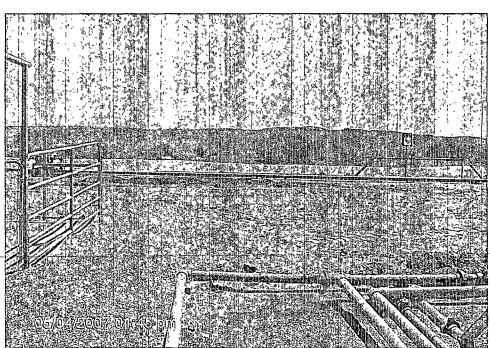


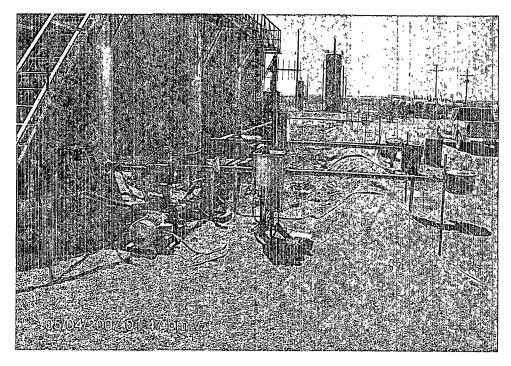


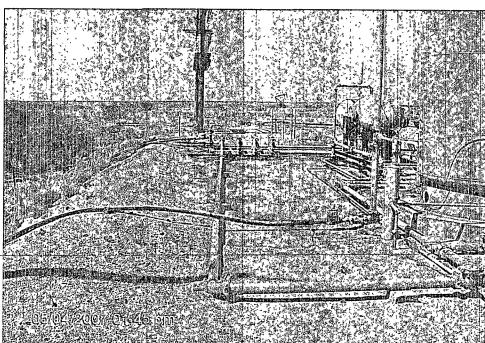












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