

District I  
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 Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

**RECEIVED**

Form C-141  
Revised October 10 2003

DEC 31 2009

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

**HOBSOCD**

**Release Notification and Corrective Action**

**OPERATOR**

Initial Report  Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 <sup>TH</sup> Street	API Number 30-025-01820	Telephone No 505-748-1471
Facility Name Lagarto AMZ State #1		Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VO-1611
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**LOCATION OF RELEASE**

Unit Letter M	Section 1	Township 11S	Range 34E	Feet from the 660	North/South Line South	Feet from the 660	East/West Line West	County Lea
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Latitude 33.38915 Longitude 103.47008

**NATURE OF RELEASE**

Type of Release Produced Water	Volume of Release 10 B/PW	Volume Recovered 5 B/PW
Source of Release Injection Line	Date and Hour of Occurrence 5/22/2008 PM	Date and Hour of Discovery 5/22/2008 PM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour N/A	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse N/A	

If a Watercourse was Impacted, Describe Fully \*  
N/A WATER @ 50'

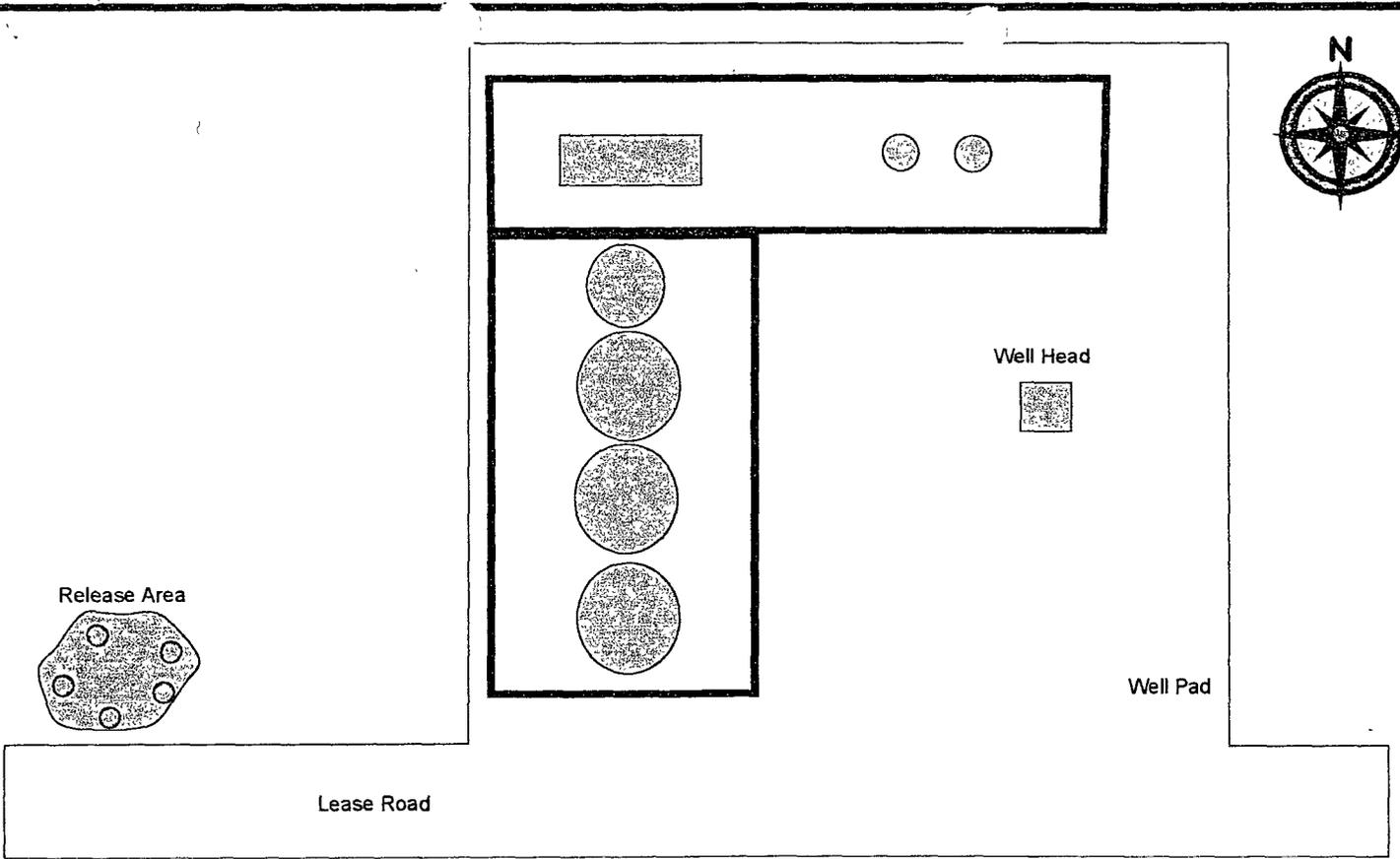
Describe Cause of Problem and Remedial Action Taken \*  
Hole in injection line Vacuum truck and backhoe crew called

Describe Area Affected and Cleanup Action Taken.\*  
An approximate area of 50' X 50' Isolated leak and repaired line. Vacuum truck picked up remaining water, soils were scraped up and taken to an OGD approved facility. Delineation sampling to be conducted, to determine next course of action taken. If analytical results are below RRAL's, Final Report will be submitted, if not a work plan for further remediation will be submitted. Approximate chloride content of produced water is 21,000 ppm. Samples taken, results were N/D for BTEX, TPH & chlorides. **Depth to Ground Water: 50-99' (approx. 50'), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. Based on enclosed analytical documents and results, Yates Petroleum Corporation requests closure.**

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCID rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCID marked as "Final Report" does not relieve the operator 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, NMOCID acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name Robert Asher	Approved by <del>District Supervisor</del> ENV ENGINEER 	
Title Environmental Regulatory Agent	Approval Date 07/21/10	Expiration Date -
E-mail Address boba@ypenn.com	Conditions of Approval	Attached <input type="checkbox"/>
Date Wednesday, July 16, 2008	Phone 505-748-4217	IRP-10-7-2590

\* Attach Additional Sheets If Necessary



Sample ID	Sample Date	Sample Type	Depth	BTEX	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
GS/Camp-001	7/7/2008	Grab/Auger	1'	ND	ND	ND	ND
GS/Camp-002	7/7/2008	Grab/Auger	2'	ND	ND	ND	ND

Site Ranking is Ten (10). Depth to Ground Water 50-99' (approx. 50'). All results are ppm.



Lagarto AMZ State #1  
Section 1, T11S-R34E  
Lea County, NM

SITE SAMPLE DIAGRAM  
(Not to Scale)  
Prepared by Robert Asher  
Environmental Regulatory Agent  
July 17, 2008

# Analytical Report 307609

for

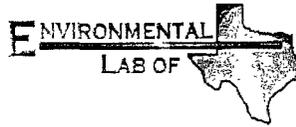
## Yates Petroleum Corporation

**Project Manager: Robert Asher**

**Lagarto AMZ State # 1**

**30-025-01820**

**15-JUL-08**



12600 West I-20 East Odessa, Texas 79765

Texas certification numbers:  
Houston, TX T104704215

Florida certification numbers:  
Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675  
Norcross(Atlanta), GA E87429

South Carolina certification numbers:  
Norcross(Atlanta), GA 98015

North Carolina certification numbers:  
Norcross(Atlanta), GA 483

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Midland - Corpus Christi - Atlanta



15-JUL-08

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

Reference: XENCO Report No: **307609**  
**Lagarto AMZ State # 1**  
Project Address: Lea 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 307609. 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. 307609 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, II**

Odessa Laboratory Manager

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**Sample Cross Reference 307609**



**Yates Petroleum Corporation, Artesia, NM**

Lagarto AMZ State # 1

<b>Sample Id</b>	<b>Matrix</b>	<b>Date Collected</b>	<b>Sample Depth</b>	<b>Lab Sample Id</b>
GS/Comp-001	S	Jul-07-08 11:06	1 - 1 ft	307609-001
GS/Comp-002	S	Jul-07-08 11:20	2 - 2 ft	307609-002



# Certificate of Analysis Summary 307609

Yates Petroleum Corporation, Artesia, NM

Project Name: Lagarto AMZ State # 1

Project Id: 30-025-01820

Contact: Robert Asher

Project Location: Lea County

Date Received in Lab: Thu Jul-10-08 01 40 pm

Report Date: 15-JUL-08

Project Manager: Brent Barron, II

<i>Analysis Requested</i>	<i>Lab Id:</i>	307609-001	307609-002			
	<i>Field Id:</i>	GS/Comp-001	GS/Comp-002			
	<i>Depth:</i>	1-1 ft	2-2 ft			
	<i>Matrix:</i>	SOIL	SOIL			
	<i>Sampled:</i>	Jul-07-08 11 06	Jul-07-08 11 20			
<b>BTEX by EPA 8021B</b>	<i>Extracted:</i>	Jul-10-08 16 20	Jul-14-08 12.15			
	<i>Analyzed:</i>	Jul-11-08 00 16	Jul-14-08 18 07			
	<i>Units/RL:</i>	mg/kg      RL	mg/kg      RL			
Benzene		ND 0 0011	ND 0 0012			
Toluene		ND 0 0023	ND 0 0023			
Ethylbenzene		ND 0 0011	ND 0 0012			
m,p-Xylenes		ND 0 0023	ND 0 0023			
o-Xylene		ND 0 0011	ND 0 0012			
Total Xylenes		ND	ND			
Total BTEX		ND	ND			
<b>Inorganic Anions by EPA 300</b>	<i>Extracted:</i>	Jul-10-08 15 01	Jul-10-08 15 01			
	<i>Analyzed:</i>	Jul-10-08 15 01	Jul-10-08 15 01			
	<i>Units/RL:</i>	mg/kg      RL	mg/kg      RL			
Chloride		ND 11 4	ND 11 5			
<b>Percent Moisture</b>	<i>Extracted:</i>	Jul-10-08 17 00	Jul-10-08 17 00			
	<i>Analyzed:</i>	Jul-10-08 17 00	Jul-10-08 17 00			
	<i>Units/RL:</i>	%          RL	%          RL			
Percent Moisture		12	13 3			
<b>TPH by SW 8015B</b>	<i>Extracted:</i>	Jul-14-08 14 05	Jul-14-08 14 05			
	<i>Analyzed:</i>	Jul-14-08 14 19	Jul-14-08 14 45			
	<i>Units/RL:</i>	mg/kg      RL	mg/kg      RL			
C6-C10 Gasoline Range Hydrocarbons		ND 17 0	ND 17 3			
C10-C28 Diesel Range Hydrocarbons		ND 17 0	ND 17 3			
Total TPH		ND	ND			

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 assumes no responsibility and makes no warranty to the end use of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

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 Brent Barron  
 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(PQL) and above the SQL(MDL).
  - 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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9701 Harry Hines Blvd , Dallas, TX 75220	(281) 589-0692	(281) 589-0695
5332 Blackberry Drive, Suite 104, San Antonio, TX 78238	(214) 902 0300	(214) 351-9139
2505 N Falkenburg Rd., Tampa, FL 33619	(210) 509-3334	(210) 509-3335
5757 NW 158th St, Miami Lakes, FL 33014	(813) 620-2000	(813) 620-2033
6017 Financial Dr , Norcross, GA 30071	(305) 823-8500	(305) 823-8555
	(770) 449-8800	(770) 449-5477



**Environmental Lab of Texas**

Variance/ Corrective Action Report- Sample Log-In

Client lates Pet.  
 Date/ Time 7 10 08 13:40  
 Lab ID # 307609  
 Initials AL

**Sample Receipt Checklist**

				Client Initials
#1	Temperature of container/ cooler?	<u>Yes</u>	No	2.5 °C
#2	Shipping container in good condition?	<u>Yes</u>	No	
#3	Custody Seals intact on shipping container/ cooler?	<u>Yes</u>	No	Not Present
#4	Custody Seals intact on sample bottles/ container?	<u>Yes</u>	No	Not Present
#5	Chain of Custody present?	<u>Yes</u>	No	
#6	Sample instructions complete of Chain of Custody?	<u>Yes</u>	No	
#7	Chain of Custody signed when relinquished/ received?	<u>Yes</u>	No	
#8	Chain of Custody agrees with sample label(s)?	<u>Yes</u>	No	ID written on Cont / Lid
#9	Container label(s) legible and intact?	<u>Yes</u>	No	Not Applicable
#10	Sample matrix/ properties agree with Chain of Custody?	<u>Yes</u>	No	
#11	Containers supplied by ELOT?	<u>Yes</u>	No	
#12	Samples in proper container/ bottle?	<u>Yes</u>	No	See Below
#13	Samples properly preserved?	<u>Yes</u>	No	See Below
#14	Sample bottles intact?	<u>Yes</u>	No	
#15	Preservations documented on Chain of Custody?	<u>Yes</u>	No	
#16	Containers documented on Chain of Custody?	<u>Yes</u>	No	
#17	Sufficient sample amount for indicated test(s)?	<u>Yes</u>	No	See Below
#18	All samples received within sufficient hold time?	<u>Yes</u>	No	See Below
#19	Subcontract of sample(s)?	<u>Yes</u>	No	<del>Not Applicable</del>
#20	VOC samples have zero headspace?	<u>Yes</u>	No	Not Applicable

**Variance Documentation**

Contact \_\_\_\_\_ Contacted by \_\_\_\_\_ Date/ Time \_\_\_\_\_

Regarding \_\_\_\_\_

Corrective Action Taken \_\_\_\_\_

- Check all that Apply
- See attached e-mail/ fax
  - Client understands and would like to proceed with analysis
  - Cooling process had begun shortly after sampling event