

GW - 53

**GENERAL
CORRESPONDENCE**

YEAR(S):

2007-1991

AGAVE ENERGY COMPANY

105 South Fourth Street

Artesia, New Mexico 88210

(505) 748-4555

Fax (505) 748-4275

Via Certified Mail 7006 2150 0000 3855 1131

February 6, 2007

Wayne Price
New Mexico OCD
1220 South St. Francis Drive
Santa Fe, NM 87505

**Re: Agave Dagger Draw Gas Processing Plant
Discharge Permit GW-053 Modification**

Dear Wayne:

As per our conversation on January 31, 2007, I am attaching additional information in support of the modification of the discharge permit for the Agave Dagger Draw Gas Processing Plant, GW-053.

You noted that there was a renewal fee for the renewal permit that Agave submitted in January for the Agave Gas Plant. Agave did send the check for \$4100. I am attaching a copy of the cleared check. There was also a fee of \$100 for the modification fee. I am attaching a copy of the cleared check for the modification fee.

Attached is a schematic of the Agave Land Farm. As explained in the discharge permit, the land farm has two cells designated the East Cell and the West Cell. Because the West Cell is large, we generally divide it into a north half and a south half although there is no definitive demarcation between the halves. The land farm is inside the fenceline and is not accessible to the public. This land farm was authorized under the existing discharge permit. Agave has not accepted waste for the land farm in approximately two years.

I understand that there was some confusion as to the purpose of the modification permit for the gas plants. The Duke Dagger Draw Gas Plant was issued discharge permit GW-185. To the best of our knowledge, this facility has not operated since August 2003. In May 2005, Agave Energy Company purchased the neighboring Duke Dagger Draw Gas Plant. These two facilities are neighboring and contiguous, sharing a common fenceline. Agave modified and consolidated the two facilities. This project included the installation of an acid gas injection system in lieu of a flare or SRU to dispose of the acid gas stream from the amine system. Agave refurbished the cryogenic skids, removed two large gas fired compressor engines, and installed a new control system. The bulk of this work was done on the old "Duke side" of the operations. Agave started moving gas through the Agave Dagger Draw Gas Processing Plant in April 2006. Agave is currently developing a plan to clean up the old "Agave side" to treat a side stream of gas. I have attached a schematic of the old and new fencelines. The purpose of the modification application is to combine the two existing discharge permits. The new discharge permit will cover operations over the entire facility. If you have specific questions about the old or new operations, I would be happy to answer those questions during our scheduled conference call.

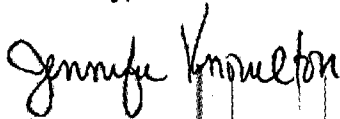
Finally, you asked for a copy of the chain of custody record and the quality control analysis for the soil samples. I have attached copies of these for your information. The quality control analysis was not originally provided in the soil sample results. I had to request a copy from the lab.

I look forward to working with you in issuing the modified discharge plan for the Agave Dagger Draw Gas Processing Plant. We are scheduled for a conference call at 10:00 on Thursday, February 8, 2007 that will include myself, Lisa Norton of Yates Petroleum Corporation and Greg Jokela, Vice President of

Wayne Price
OCD
Agave Dagger Draw Gas Processing Plant
GW-053 Modification
February 6, 2007
Page 2 of 2

Agave Energy to discuss this further. In the meantime, if you have any questions regarding this additional information, please do not hesitate to contact me at 505-748-4471 or email me at jknowlton@ypcnm.com.

Sincerely,

A handwritten signature in black ink that reads "Jennifer Knowlton". The signature is written in a cursive style with a large, stylized "J" and "K".

Jennifer Knowlton
Environmental Engineer

(corres 020607.doc)

1	CY Reimbursement Project	Tax	064	01							1
2	Gross Receipt Tax		084	01		2329	900000	2329134			2
3	Air Quality Title V		092	13	1300	1896	900000	4169134			3
4	PRP Prepayments		248	14	1400	9696	900000	4989014			4
5	Climax Chemical Co.		248	14	1400	9696	900000	4989016			5
6	Circle K Reimbursements		248	14	1400	9696	900000	4989248			6
7	Hazardous Waste Permits		339	27	2700	1688	900000	4169027			7
8	Hazardous Waste Annual Generator Fees		339	27	2700	1696	900000	4169339			8
9	Water Quality - Oil Conservation Division		341	29		2329	900000	2329029	4100 00		10
10	Water Quality - GW Discharge Permit		341	29	2900	1696	900000	4169029			11
11	Air Quality Permits		631	31	2500	1696	900000	4169031			12
12	Payments under Protest		651	33		2919	900000	2919033			13
13	Xerox Copies		652	34		2349	900000	2349001			14
14	Ground Water Penalties		652	34		2349	900000	2349002			15
15	Witness Fees		652	34		2349	900000	2439003			16
16	Air Quality Penalties		652	34		2349	900000	2349004			17
17	OSHA Penalties		652	34		2349	900000	2349005			18
18	Prior Year Reimbursement		652	34		2349	900000	2349006			19
19	Surface Water Quality Certification		652	34		2349	900000	2349009			20
20	Jury Duty		652	34		2349	900000	2349012			21
21	CY Reimbursements (i.e. telephone)		652	34		2349	900000	2349014			22
22	UST Owner's List		783	24	2500	9696	900000	4989201			23
23	Hazardous Waste Notifiers List		783	24	2500	9696	900000	4989202			24
24	UST Maps		783	24	2500	9696	900000	4989203			25
25	UST Owner's Update		783	24	2500	9696	900000	4989205			26
26	Hazardous Waste Regulations		783	24	2500	9696	900000	4989207			28
27	Radiologic Tech. Regulations		783	24	2500	9696	900000	4989208			29
28	Superfund CERLIS List		783	24	2500	9696	900000	4989211			30
29	Solid Waste Permit Fees		783	24	2500	9696	900000	4989213			31
30	Smoking School		783	24	2500	9696	900000	4989214			32
31	SWQB - NPS Publications		783	24	2500	9696	900000	4989222			33
32	Radiation Licensing Regulation		783	24	2500	9696	900000	4989228			34
33	Sale of Equipment		783	24	2500	9696	900000	4989301			35
34	Sale of Automobile		783	24	2500	9696	900000	4989302			36
35	List Recoveries		783	24	2500	9696	900000	4989814			37
36	List Repayments		783	24	2500	9696	900000	4989815			38
37	Surface Water Publication		783	24	2500	9696	900000	4989801			39
38	Exxon Release Drive Ruidoso - CAF		783	24	2500	9696	900000	4989242			40
39	Emerg. Hazardous Waste Penalties NOV		957	32	9500	1696	900000	4164032			41
40	Radiologic Tech. Certification		987	05	0500	1696	900000	4169005			42
41	Ust Permit Fees		988	20	3100	1696	900000	4169020			44
42	UST Tank Installers Fees		989	20	3100	1696	900000	4169021			45
43	Food Permit Fees		991	28	2500	1696	900000	4169026			46
44	Other										43

Receipt Tax Required

Site Name & Project Code Required

TOTAL

4100 00

act Person: Ed Martinez

Phone: 476-3492

Date: 4/21/06

ived in ASD By: _____

Date: _____ RT #: _____

ST #: _____

KNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

Knowledge receipt of check No. [REDACTED] dated 4/13/06
received on _____ in the amount of \$ 4100⁰⁰
from AGAVE Energy Company
for AGAVE GAS Plant GW-C53
Submitted by: LAURIE Romero Date: 4/21/06
Submitted to ASD by: LAURIE Romero Date: 4/21/06
Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal ☒

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment ☒ or Annual Increment _____

Bank of America

32-2
1110

AGAVE ENERGY COMPANY

105 South Fourth Street
Artesia, New Mexico 88210
505-748-4555

DATE 4/13/2006 VENDOR NO. 941733

*****4.100DOLLARS*****
PAY TO THE ORDER OF:

WATER QUALITY MANAGEMENT FUND
C/O OIL CONSERVATION DIVISION
1220 S SAINT FRANCIS DRIVE
SANTA FE NM 87505

*****4.100.00

[Signature]

Description	FUND	CES	DFA ORG	DFA ACCT	ED ORG	ED ACCT	AMOUNT	
1 CY Reimbursement Project _____ Tax _____	064	01		2329	900000	2328134		1
1 Gross Receipt Tax	084	01						2
5 Air Quality Title V	092	13	1300	1896	900000	4169134		3
3 PRP Prepayments	248	14	1400	9696	900000	4989014		4
4 Climax Chemical Co.	248	14	1400	9696	900000	4989016		5
2 Circle K Reimbursements	248	14	1400	9696	900000	4989248		6
7 Hazardous Waste Permits	339	27	2700	1696	900000	4169027		7
7 Hazardous Waste Annual Generator Fees	339	27	2700	1696	900000	4169339		8
8 Water Quality - Oil Conservation Division	341	29		2329	900000	2328029	100.00	10
10 Water Quality - GW Discharge Permit	341	29	2900	1696	900000	4169029		11
11 Air Quality Permits	631	31	2500	1696	900000	4169031		12
12 Payments under Protest	651	33		2919	900000	2919033		13
13 Xerox Copies	652	34		2349	900000	2349001		14
14 Ground Water Penalties	652	34		2349	900000	2349002		15
15 Witness Fees	652	34		2349	900000	2349003		16
16 Air Quality Penalties	652	34		2349	900000	2349004		17
17 OSHA Penalties	652	34		2349	900000	2349005		18
18 Prior Year Reimbursement	652	34		2349	900000	2349006		19
19 Surface Water Quality Certification	852	34		2349	900000	2349009		20
20 Jury Duty	852	34		2349	900000	2349012		21
21 CY Reimbursements (i.e. telephone)	852	34		2349	900000	2349014		22
22 UST Owner's List	783	24	2500	9696	900000	4989201		*23
23 Hazardous Waste Notifiers List	783	24	2500	9696	900000	4989202		*24
24 UST Maps	783	24	2500	9696	900000	4989203		*25
25 UST Owner's Update	783	24	2500	9696	900000	4989206		*26
26 Hazardous Waste Regulations	783	24	2500	9696	900000	4989207		*28
28 Radiologic Tech. Regulations	783	24	2500	9696	900000	4989208		*29
29 Superfund CERLIS List	783	24	2500	9696	900000	4989211		*30
30 Solid Waste Permit Fees	783	24	2500	9696	900000	4989213		31
31 Smoking School	783	24	2500	9696	900000	4989214		32
32 SWQB - NPS Publications	783	24	2500	9696	900000	4989222		*33
33 Radiation Licensing Regulation	783	24	2500	9696	900000	4989228		*34
34 Sale of Equipment	783	24	2500	9696	900000	4989301		*35
35 Sale of Automobile	783	24	2500	9696	900000	4989302		*36
36 Lost Recoveries	783	24	2500	9696	900000	4989814		**37
37 Lost Repayments	783	24	2500	9696	900000	4989815		**38
38 Surface Water Publication	783	24	2500	9696	900000	4989801		39
39 Exxon Reese Drive Ruidoso - CAF	783	24	2500	9696	900000	4989242		40
40 Emerg. Hazardous Waste Penalties NOV	957	32	9600	1896	900000	4164032		41
41 Radiologic Tech. Certification	957	05	0500	1896	900000	4169005		42
42 Ust Permit Fees	989	20	3100	1696	900000	4169020		44
43 UST Tank Installers Fees	989	20	3100	1696	900000	4169021		45
44 Food Permit Fees	991	28	2600	1696	900000	4169026		46
45 Other								43

Gross Receipt Tax Required

-- Site Name & Project Code Required

TOTAL

100.00

Contact Person:

Wagner Project

Phone:

476-3490

Date:

8/15/06

Received in ASD By:

Date:

RT #:

ST #:

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED]

dated

8/4/06

for the sum of

in the amount of \$

100⁰⁰

Agave Energy Company

GW-053

Submitted by

Lawrence Romero

8/15/06

Submitted or A/D to

Lawrence Romero

8/15/06

Received in A/D for

Enter

Filing Fee

☒

New Facility

Renewal

Modification

Other

Organization Code

521.07

Applicable FY

2004

To be deposited in the Water Quality Management Fund.

Full Payment

or Annual Increment

Date of Receipt

8/3/06

AGAVE ENERGY COMPANY

101 South Church Street
Artemis, New Mexico 88312
505-766-1500

DATE 8/04/2006 VENDOR NO. 041753

*****100DOLLARS***00CENTS

PAID TO THE ORDER OF

WATER QUALITY MANAGEMENT FUND

C/O OIL CONSERVATION DIVISION

1220 S SAINT FRANCIS DRIVE

SANTA FE

NM 37505

*****100.00

Bank of America



32-2
1110

AGAVE ENERGY COMPANY

105 South Fourth Street
Artesia, New Mexico 88210
505-748-4555

DATE 8/04/2006 VENDOR NO. 941753

*****100DOLLARS****00CENTS

PAY TO THE ORDER OF:

WATER QUALITY MANAGEMENT FUND
C/O OIL CONSERVATION DIVISION
1220 S SAINT FRANCIS DRIVE
SANTA FE NM 87505

AMOUNT

*****100.00

⑈0000036036⑈ ⑆111000025⑆ 004790750983⑈

⑈0000010000⑈

Pay to the Order of
NMAED Water Quality
Management Fund

USA
018 E
C 08
07
07
07

BANK OF AMERICA NA NHE

Bank of America



AGAVE ENERGY COMPANY

105 South Fourth Street
Artesia, New Mexico 88210
505-748-4555

32-2
1110

DATE 4/13/2006 VENDOR NO. 941753
*****4,100DOLLARS*****00CENTS
PAY TO THE ORDER OF:

WATER QUALITY MANAGEMENT FUND
C/O OIL CONSERVATION DIVISION
1220 S SAINT FRANCIS DRIVE
SANTA FE NM 87505

*****4,100.00

EW-C53

98/12/14

SAL AL BUREAU SANTAFEE

Pay to the Order of
NMED Water Quality
Management Fund
By:

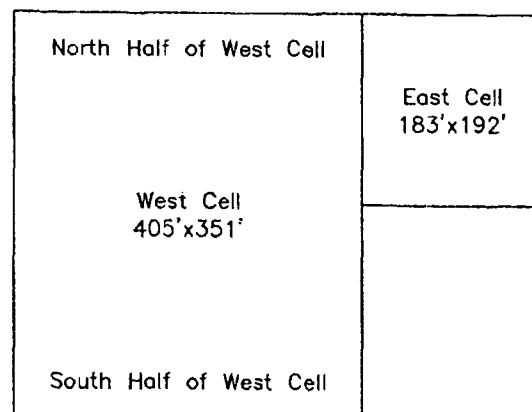
APR 21 06

APR 21 06

BANK OF AMERICA

VS DATE 04/21/06
018 E C 004 NT

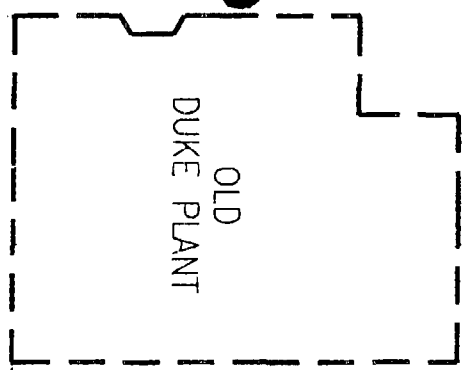
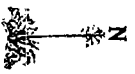
Pay to the Order of
NMED Water Quality
Management Fund
By:



Agave Office

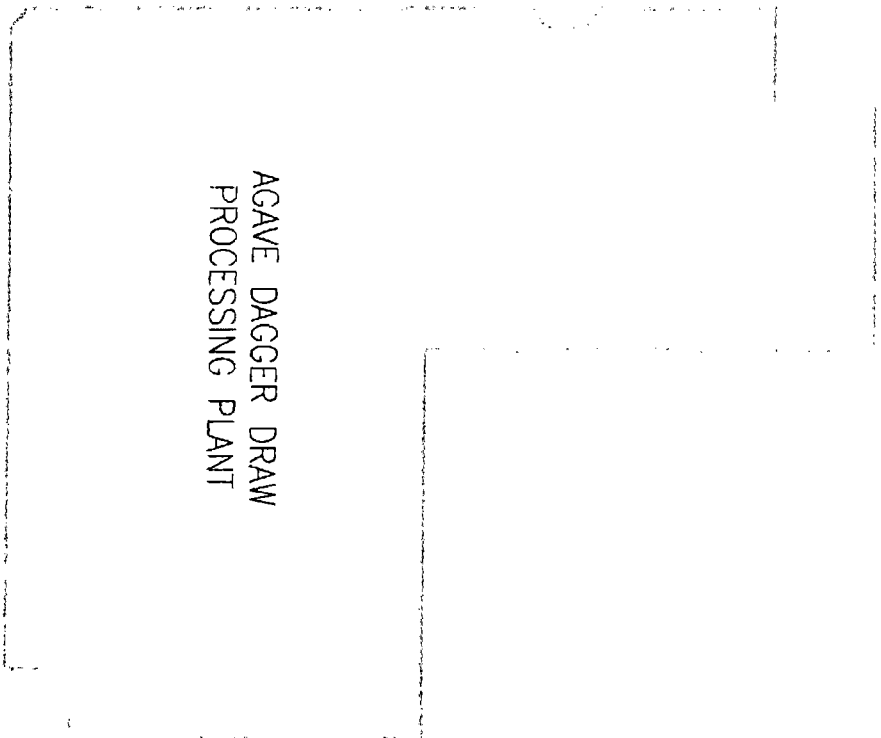


		AGAVE ENERGY COMPANY	
		105 South Fourth Street, Artesia, New Mexico 88210	
		AGAVE LAND FARM	
OWNER	COUNTY EDDY		
DRAWING: TWH	DATE		
APPROVED	DATE	SHEET 1 OF 1	
AGAVE MANAGEMENT	SCALE NA	PRINTED 10/07	



OLD
AGAVE PLANT

OLD



AGAVE DAGGER DRAW
PROCESSING PLANT

NEW



AGAVE ENERGY COMPANY	
105 South Fourth Street, Artesia, New Mexico 88210	
AGAVE DAGGER DRAW PROCESSING PLANT	
DATE	COORDINATES
APPROVED	DATE
SCALE: 1/4"	PRINTED: 2/10/97
SHEET: 1 OF 1	



Lab job No. : 004-4167 Date:

Page 1 of 1

Project Manager / Contact Mike Stubblied
Telephone No. 505-748-4500
Fax No. 505-746-4635
Samplers : (signature) Mike Stubblied

127 EASTGATE DRIVE, 212-C
LOS ALAMOS, NEW MEXICO 87544
(505) 662-2558

[illegible]

Received by: _____
Signature _____
Printed _____
Company _____
Reason _____

- ☐ Disposed of (additional fee)
- ☐ Stored (30 days max)
- ☐ Stored over 30 days (additional fee)
- ☐ Returned to customer

CARRIER

Assagai Analytical Laboratories, Inc.

Quality Control Summary

Client: **YATES PETROLEUM CORP.**
 Project: **AGAVE GAS PLANT LAND FARM**
 Order: **0604401 YAT01**

Test: **SW846 3050B/6010B ICP**
 Batch: **M06464**
 Matrix: **SOLID**

MB: Method Blank Lab Sample ID: N/A M06464-001

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
MT.2006.836.17	7440-38-2	Arsenic	ND	mg/kg		1	0.25		05-05-06
MT.2006.836.17	7440-39-3	Barium	ND	mg/kg		1	0.15		05-05-06
MT.2006.836.17	7440-43-9	Cadmium	ND	mg/kg		1	0.25		05-05-06
MT.2006.836.17	7440-47-3	Chromium	ND	mg/kg		1	0.1		05-05-06
MT.2006.836.17	7439-92-1	Lead	ND	mg/kg		1	0.25		05-05-06
MT.2006.836.17	7782-49-2	Selenium	ND	mg/kg		1	0.5		05-05-06
MT.2006.836.17	7440-22-4	Silver	ND	mg/kg		1	0.25		05-05-06

LCS: Lab Control Spike Lab Sample ID: N/A M06464-002

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
MT.2006.836.18	7440-39-3	Barium	90.6	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.18	7440-43-9	Cadmium	87.6	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.18	7440-47-3	Chromium	91.8	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.18	7439-92-1	Lead	88.6	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.18	7782-49-2	Selenium	88.9	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.18	7440-22-4	Silver	87.4	% Recovery	80 - 120	1	NA		05-05-06

MS: Matrix Spike Lab Sample ID: 0604401-0001A M06464-004

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
MT.2006.836.20	7440-38-2	Arsenic	95.0	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.20	7440-39-3	Barium	202	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.20	7440-43-9	Cadmium	81.4	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.20	7440-47-3	Chromium	84.0	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.20	7439-92-1	Lead	28.0	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.20	7782-49-2	Selenium	98.0	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.20	7440-22-4	Silver	83.3	% Recovery	80 - 120	1	NA		05-05-06

MSD: Matrix Spike Duplicate Precision Lab Sample ID: 0604401-0001A M06464-005

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
MT.2006.836.21	7440-38-2	Arsenic	11.5	RPD	0 - 20	1	NA		05-05-06
MT.2006.836.21	7440-39-3	Barium	17.1	RPD	0 - 20	1	NA		05-05-06
MT.2006.836.21	7440-43-9	Cadmium	3.54	RPD	0 - 20	1	NA		05-05-06
MT.2006.836.21	7440-47-3	Chromium	10.0	RPD	0 - 20	1	NA		05-05-06
MT.2006.836.21	7439-92-1	Lead	5.64	RPD	0 - 20	1	NA		05-05-06

Assalgai Analytical Laboratories, Inc.

Quality Control Summary

Client: **YATES PETROLEUM CORP.**
 Project: **AGAVE GAS PLANT LAND FARM**
 Order: **0604401 YAT01**

Test: **SW846 3050B/6010B ICP**
 Batch: **M06464**
 Matrix: **SOLID**

MSD: Matrix Spike Duplicate Precision Lab Sample ID: 0604401-0001A M06464-005

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
MT.2006.836.21	7782-49-2	Selenium	6.30	RPD	0 - 20	1	NA		05-05-06
MT.2006.836.21	7440-22-4	Silver	5.67	RPD	0 - 20	1	NA		05-05-06

MSD: Matrix Spike Duplicate Accuracy Lab Sample ID: 0604401-0001A M06464-005

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
MT.2006.836.21	7440-38-2	Arsenic	127	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.21	7440-39-3	Barium	1230	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.21	7440-43-9	Cadmium	85.3	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.21	7440-47-3	Chromium	120	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.21	7439-92-1	Lead	40.0	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.21	7782-49-2	Selenium	109	% Recovery	80 - 120	1	NA		05-05-06
MT.2006.836.21	7440-22-4	Silver	90.2	% Recovery	80 - 120	1	NA		05-05-06

MD: Matrix Duplicate Lab Sample ID: 0604401-0001A M06464-006

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
MT.2006.836.22	7440-38-2	Arsenic	1.57	RPD	0 - 20	1	NA		05-05-06
MT.2006.836.22	7440-39-3	Barium	12.9	RPD	0 - 20	1	NA		05-05-06
MT.2006.836.22	7440-43-9	Cadmium	1.74	RPD	0 - 20	1	NA		05-05-06
MT.2006.836.22	7440-47-3	Chromium	5.03	RPD	0 - 20	1	NA		05-05-06
MT.2006.836.22	7439-92-1	Lead	26.9	RPD	0 - 20	1	NA		05-05-06
MT.2006.836.22	7782-49-2	Selenium	2.77	RPD	0 - 20	1	NA		05-05-06
MT.2006.836.22	7440-22-4	Silver	4.82	RPD	0 - 20	1	NA		05-05-06

SD: Serial Dilution Lab Sample ID: 0604401-0001A M06464-007

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
MT.2006.836.23	7440-38-2	Arsenic	31.0	RPD	0 - 20	5	NA		05-05-06
MT.2006.836.23	7440-39-3	Barium	24.6	RPD	0 - 20	5	NA		05-05-06
MT.2006.836.23	7440-43-9	Cadmium	0.391	RPD	0 - 20	5	NA		05-05-06
MT.2006.836.23	7440-47-3	Chromium	10.3	RPD	0 - 20	5	NA		05-05-06
MT.2006.836.23	7439-92-1	Lead	5.03	RPD	0 - 20	5	NA		05-05-06
MT.2006.836.23	7782-49-2	Selenium	NA	RPD	0 - 20	5	NA		05-05-06
MT.2006.836.23	7440-22-4	Silver	8.60	RPD	0 - 20	5	NA		05-05-06

Assaigai Analytical Laboratories, Inc.

Quality Control Summary

Client: **YATES PETROLEUM CORP.**
 Project: **AGAVE GAS PLANT LAND FARM**
 Order: **0604401 YAT01**

Test: **SW846 5035B/8015B GRO by GC/FID**
 Batch: **V06215**
 Matrix: **SOLID**

MB: Method Blank Lab Sample ID: N/A V06215-001

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
XG.2006.526.3		Gasoline Range Organics	ND	mg / Kg		1	0.55		05-01-06

LCS: Lab Control Spike Lab Sample ID: N/A V06215-002

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
XG.2006.526.4		Gasoline Range Organics	91.2	% Recovery	66 - 136	1	NA		05-01-06

MS: Matrix Spike Lab Sample ID: 0604401-0002A V06215-006

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
XG.2006.526.9		Gasoline Range Organics	107	% Recovery	66 - 136	1	NA		05-01-06

MSD: Matrix Spike Duplicate Precision Lab Sample ID: 0604401-0002A V06215-007

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
XG.2006.526.10		Gasoline Range Organics	4.8	RPD	0 - 20	1	NA		05-01-06

MSD: Matrix Spike Duplicate Accuracy Lab Sample ID: 0604401-0002A V06215-007

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
XG.2006.526.10		Gasoline Range Organics	102	% Recovery	66 - 136	1	NA		05-01-06

Test: **SW846 5035B/8260B Purgeable VOCs by GC/MS**
 Batch: **V06203**
 Matrix: **SOLID**

MB: Method Blank Lab Sample ID: N/A V06203-001

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
XG.2006.487.6	71-43-2	Benzene	ND	mg / Kg		1	0.005		04-25-06
XG.2006.565.6	71-43-2	Benzene	ND	mg / Kg		1	0.005		04-25-06
XG.2006.487.6	100-41-4	Ethylbenzene	ND	mg / Kg		1	0.005		04-25-06
XG.2006.565.6	100-41-4	Ethylbenzene	ND	mg / Kg		1	0.005		04-25-06
XG.2006.487.6	95-47-6	o-Xylene	ND	mg / Kg		1	0.005		04-25-06
XG.2006.565.6	95-47-6	o-Xylene	ND	mg / Kg		1	0.005		04-25-06

Assagai Analytical Laboratories, Inc.

Quality Control Summary

Client: **YATES PETROLEUM CORP.**
 Project: **AGAVE GAS PLANT LAND FARM**
 Order: **0604401 YAT01**

Test: **SW846 5035B/8260B Purgeable VOCs by GC/MS**Batch: **V06203**Matrix: **SOLID**

MB: Method Blank

Lab Sample ID: N/A

V06203-001

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
XG.2006.487.6	108-38-3/106-42	p/m-Xylenes	ND	mg / Kg		1	0.01		04-25-06
XG.2006.565.6	108-38-3/106-42	p/m-Xylenes	ND	mg / Kg		1	0.01		04-25-06
XG.2006.487.6	108-88-3	Toluene	ND	mg / Kg		1	0.005		04-25-06
XG.2006.565.6	108-88-3	Toluene	ND	mg / Kg		1	0.005		04-25-06

LCS: Lab Control Spike

Lab Sample ID: N/A

V06203-002

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
XG.2006.487.7	71-43-2	Benzene	103	% Recovery	83 - 120	1	NA		04-25-06
XG.2006.565.7	71-43-2	Benzene	103	% Recovery	83 - 120	1	NA		04-25-06
XG.2006.487.7	100-41-4	Ethylbenzene	102	% Recovery	78 - 126	1	NA		04-25-06
XG.2006.565.7	100-41-4	Ethylbenzene	102	% Recovery	78 - 126	1	NA		04-25-06
XG.2006.487.7	95-47-6	o-Xylene	98.2	% Recovery	78 - 126	1	NA		04-25-06
XG.2006.565.7	95-47-6	o-Xylene	98.2	% Recovery	78 - 126	1	NA		04-25-06
XG.2006.487.7	108-38-3/106-42	p/m-Xylenes	99.6	% Recovery	78 - 126	1	NA		04-25-06
XG.2006.565.7	108-38-3/106-42	p/m-Xylenes	99.6	% Recovery	78 - 126	1	NA		04-25-06
XG.2006.487.7	108-88-3	Toluene	102	% Recovery	77 - 123	1	NA		04-25-06
XG.2006.565.7	108-88-3	Toluene	102	% Recovery	77 - 123	1	NA		04-25-06

MS: Matrix Spike

Lab Sample ID: 0604401-0001A

V06203-004

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
XG.2006.487.9	71-43-2	Benzene	98.2	% Recovery	83 - 120	10	NA		04-25-06
XG.2006.565.9	71-43-2	Benzene	98.2	% Recovery	83 - 120	10	NA		04-25-06
XG.2006.487.9	100-41-4	Ethylbenzene	96.3	% Recovery	78 - 126	10	NA		04-25-06
XG.2006.565.9	100-41-4	Ethylbenzene	96.3	% Recovery	78 - 126	10	NA		04-25-06
XG.2006.487.9	95-47-6	o-Xylene	94.1	% Recovery	78 - 126	10	NA		04-25-06
XG.2006.565.9	95-47-6	o-Xylene	94.1	% Recovery	78 - 126	10	NA		04-25-06
XG.2006.487.9	108-38-3/106-42	p/m-Xylenes	95.0	% Recovery	78 - 126	10	NA		04-25-06
XG.2006.565.9	108-38-3/106-42	p/m-Xylenes	95.0	% Recovery	78 - 126	10	NA		04-25-06
XG.2006.487.9	108-88-3	Toluene	95.7	% Recovery	77 - 123	10	NA		04-25-06
XG.2006.565.9	108-88-3	Toluene	95.7	% Recovery	77 - 123	10	NA		04-25-06

Assagai Analytical Laboratories, Inc.

Quality Control Summary

Client: **YATES PETROLEUM CORP.**
 Project: **AGAVE GAS PLANT LAND FARM**
 Order: **0604401 YAT01**

Test: **SW846 5035B/8260B Purgeable VOCs by GC/MS**
 Batch: **V06203**
 Matrix: **SOLID**

MSD: Matrix Spike Duplicate Precision Lab Sample ID: 0604401-0001A V06203-005

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
XG.2006.487.10	71-43-2	Benzene	1.6	RPD	0 - 14	10	NA		04-25-06
XG.2006.565.10	71-43-2	Benzene	1.6	RPD	0 - 14	10	NA		04-25-06
XG.2006.487.10	100-41-4	Ethylbenzene	0.62	RPD	0 - 14	10	NA		04-25-06
XG.2006.565.10	100-41-4	Ethylbenzene	0.62	RPD	0 - 14	10	NA		04-25-06
XG.2006.487.10	95-47-6	o-Xylene	0.84	RPD	0 - 19	10	NA		04-25-06
XG.2006.565.10	95-47-6	o-Xylene	0.84	RPD	0 - 19	10	NA		04-25-06
XG.2006.487.10	108-38-3/106-42	p/m-Xylenes	0.63	RPD	0 - 18	10	NA		04-25-06
XG.2006.565.10	108-38-3/106-42	p/m-Xylenes	0.63	RPD	0 - 18	10	NA		04-25-06
XG.2006.487.10	108-88-3	Toluene	1.8	RPD	0 - 17	10	NA		04-25-06
XG.2006.565.10	108-88-3	Toluene	1.8	RPD	0 - 17	10	NA		04-25-06

MSD: Matrix Spike Duplicate Accuracy Lab Sample ID: 0604401-0001A V06203-005

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
XG.2006.487.10	71-43-2	Benzene	99.8	% Recovery	83 - 120	10	NA		04-25-06
XG.2006.565.10	71-43-2	Benzene	99.8	% Recovery	83 - 120	10	NA		04-25-06
XG.2006.487.10	100-41-4	Ethylbenzene	96.9	% Recovery	78 - 126	10	NA		04-25-06
XG.2006.565.10	100-41-4	Ethylbenzene	96.9	% Recovery	78 - 126	10	NA		04-25-06
XG.2006.487.10	95-47-6	o-Xylene	94.9	% Recovery	78 - 126	10	NA		04-25-06
XG.2006.565.10	95-47-6	o-Xylene	94.9	% Recovery	78 - 126	10	NA		04-25-06
XG.2006.487.10	108-38-3/106-42	p/m-Xylenes	95.6	% Recovery	78 - 126	10	NA		04-25-06
XG.2006.565.10	108-38-3/106-42	p/m-Xylenes	95.6	% Recovery	78 - 126	10	NA		04-25-06
XG.2006.487.10	108-88-3	Toluene	97.5	% Recovery	77 - 123	10	NA		04-25-06
XG.2006.565.10	108-88-3	Toluene	97.5	% Recovery	77 - 123	10	NA		04-25-06

Test: **SW846 7471B CVAA**
 Batch: **M06463**
 Matrix: **SOLID**

MB: Method Blank Lab Sample ID: N/A M06463-002

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Run Code	Run Date
MT.2006.809.12	7439-97-6	Mercury	ND	ug / Kg		1	20		05-03-06

Assaigal Analytical Laboratories, Inc.

Quality Control Summary

Client: **YATES PETROLEUM CORP.**
 Project: **AGAVE GAS PLANT LAND FARM**
 Order: **0604401 YAT01**

Test: **SW846 7471B CVAA**
 Batch: **M06463**
 Matrix: **SOLID**

LCS: Lab Control Spike Lab Sample ID: N/A M06463-003

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
MT.2006.809.13	7439-97-6	Mercury	98.1	% Recovery	87 - 115	1	NA		05-03-06

MS: Matrix Spike Lab Sample ID: 0604401-0001A M06463-005

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
MT.2006.809.15	7439-97-6	Mercury	89.9	% Recovery	87 - 115	1	NA		05-03-06

MSD: Matrix Spike Duplicate Precision Lab Sample ID: 0604401-0001A M06463-006

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
MT.2006.809.16	7439-97-6	Mercury	3.10	RPD	0 - 20	1	NA		05-03-06

MSD: Matrix Spike Duplicate Accuracy Lab Sample ID: 0604401-0001A M06463-006

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
MT.2006.809.16	7439-97-6	Mercury	92.8	% Recovery	87 - 115	1	NA		05-03-06

MD: Matrix Duplicate Lab Sample ID: 0604401-0001A M06463-007

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
MT.2006.809.17	7439-97-6	Mercury	21.5	RPD	0 - 20	1	NA		05-03-06

SD: Serial Dilution Lab Sample ID: 0604401-0001A M06463-008

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
MT.2006.809.18	7439-97-6	Mercury	NA	RPD	0 - 20	5	NA		05-03-06

Assaigai Analytical Laboratories, Inc.

Quality Control Summary

Client: **YATES PETROLEUM CORP.**
 Project: **AGAVE GAS PLANT LAND FARM**
 Order: **0604401 YAT01**

Test: **SW846 8015B Diesel Range Organics by GC/FID**
 Batch: **S06216**
 Matrix: **SOLID**

MB: Method Blank Lab Sample ID: N/A S06216-001

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
XG.2006.485.4		Diesel Range Organics	ND	mg / Kg		1	25		04-25-06

LCS: Lab Control Spike Lab Sample ID: N/A S06216-002

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
XG.2006.485.5		Diesel Range Organics	105	% Recovery	77 - 121	1	NA		04-25-06

MS: Matrix Spike Lab Sample ID: 0604363-0001A S06216-004

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
XG.2006.485.7		Diesel Range Organics	105	% Recovery	77 - 121	1	NA		04-25-06

MSD: Matrix Spike Duplicate Precision Lab Sample ID: 0604363-0001A S06216-005

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
XG.2006.485.8		Diesel Range Organics	0.6	RPD	0 - 20	1	NA		04-25-06

MSD: Matrix Spike Duplicate Accuracy Lab Sample ID: 0604363-0001A S06216-005

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
XG.2006.485.8		Diesel Range Organics	105	% Recovery	77 - 121	1	NA		04-25-06

Test: **SW846 9056 Anions by Ion Chromatography**
 Batch: **W06318**
 Matrix: **SOLID**

MB: Method Blank Lab Sample ID: N/A W06318-001

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
WC.2006.1056.2	16887-00-6	Chloride	ND	mg / Kg		1	0.5		04-27-06

Assalgal Analytical Laboratories, Inc.

Quality Control Summary

Client: **YATES PETROLEUM CORP.**
 Project: **AGAVE GAS PLANT LAND FARM**
 Order: **0604401 YAT01**

Test: **SW846 9056 Anions by Ion Chromatography**
 Batch: **W06318**
 Matrix: **SOLID**

LCS: Lab Control Spike Lab Sample ID: N/A W06318-002

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
WC.2006.1056.3	16887-00-6	Chloride	93.9	% Recovery	90 - 110	1	NA		04-27-06

MS: Matrix Spike Lab Sample ID: 0604401-0001A W06318-004

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
WC.2006.1056.5	16887-00-6	Chloride	96.0	% Recovery	90 - 110	50	NA		04-27-06

MSD: Matrix Spike Duplicate Precision Lab Sample ID: 0604401-0001A W06318-005

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
WC.2006.1056.6	16887-00-6	Chloride	0.151	RPD	0 - 20	50	NA		04-27-06

MSD: Matrix Spike Duplicate Accuracy Lab Sample ID: 0604401-0001A W06318-005

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Detection Limit	Code	Run Date
WC.2006.1056.6	16887-00-6	Chloride	96.4	% Recovery	90 - 110	50	NA		04-27-06

Assaigai Analytical Laboratories, Inc.
QC Surrogate Summary

Client: **YATES PETROLEUM CORP.**
Project: **AGAVE GAS PLANT LAND FARM**
Order: **0604401 YAT01**

Sample: **0604401-0001A** Matrix: **SOLID**

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Code	Run Date
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V06215		SW846 5035B/8015B GRO by GC/FID				V06215-003		
XG.2006.526.5	460-00-4	4-Bromofluorobenzene	94.0	% Recovery	78 - 114	1		05-01-06
XG.2006.526.5	98-08-8	aaa-Trifluorotoluene	155	% Recovery	65 - 119	1		05-01-06

V06203		SW846 5035B/8260B Purgeable VOCs by GC/MS				V06203-003		
XG.2006.565.8	17060-07-0	1,2-Dichloroethane-D4	96.8	% Recovery	80 - 119	10		04-25-06
XG.2006.565.8	460-00-4	4-Bromofluorobenzene	98.8	% Recovery	89 - 110	10		04-25-06
XG.2006.565.8	1868-53-7	Dibromofluoromethane	95.2	% Recovery	86 - 106	10		04-25-06
XG.2006.565.8	2037-26-5	Toluene-D8	100	% Recovery	95 - 105	10		04-25-06

S06216		SW846 8015B Diesel Range Organics by GC/FID				S06216-014		
XG.2006.499.4	84-15-1	o-Terphenyl	120	% Recovery	62 - 134	1		04-26-06

Sample: **0604401-0002A** Matrix: **SOLID**

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Code	Run Date
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V06215		SW846 5035B/8015B GRO by GC/FID				V06215-004		
XG.2006.526.6	460-00-4	4-Bromofluorobenzene	110	% Recovery	78 - 114	1		05-01-06
XG.2006.526.6	98-08-8	aaa-Trifluorotoluene	164	% Recovery	65 - 119	1		05-01-06

V06203		SW846 5035B/8260B Purgeable VOCs by GC/MS				V06203-006		
XG.2006.565.11	17060-07-0	1,2-Dichloroethane-D4	97.6	% Recovery	80 - 119	10		04-25-06
XG.2006.565.11	460-00-4	4-Bromofluorobenzene	98.0	% Recovery	89 - 110	10		04-25-06
XG.2006.565.11	1868-53-7	Dibromofluoromethane	95.2	% Recovery	86 - 106	10		04-25-06
XG.2006.565.11	2037-26-5	Toluene-D8	100	% Recovery	95 - 105	10		04-25-06

S06216		SW846 8015B Diesel Range Organics by GC/FID				S06216-015		
XG.2006.485.20	84-15-1	o-Terphenyl	192	% Recovery	62 - 134	10		04-26-06

Sample: **0604401-0003A** Matrix: **SOLID**

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Code	Run Date
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V06215		SW846 5035B/8015B GRO by GC/FID				V06215-005		
XG.2006.526.7	460-00-4	4-Bromofluorobenzene	118	% Recovery	78 - 114	1		05-01-06
XG.2006.526.7	98-08-8	aaa-Trifluorotoluene	160	% Recovery	65 - 119	1		05-01-06

V06203		SW846 5035B/8260B Purgeable VOCs by GC/MS				V06203-007		
XG.2006.565.12	17060-07-0	1,2-Dichloroethane-D4	101	% Recovery	80 - 119	10		04-25-06
XG.2006.565.12	460-00-4	4-Bromofluorobenzene	100	% Recovery	89 - 110	10		04-25-06
XG.2006.565.12	1868-53-7	Dibromofluoromethane	95.2	% Recovery	86 - 106	10		04-25-06
XG.2006.565.12	2037-26-5	Toluene-D8	100	% Recovery	95 - 105	10		04-25-06

S06216		SW846 8015B Diesel Range Organics by GC/FID				S06216-016		
XG.2006.485.21	84-15-1	o-Terphenyl	220	% Recovery	62 - 134	10		04-26-06

Assaigal Analytical Laboratories, Inc.
QC Surrogate Summary

Client: **YATES PETROLEUM CORP.**
Project: **AGAVE GAS PLANT LAND FARM**
Order: **0604401 YAT01**

Sample: **LCS** Matrix: **SOLID**

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Code	Run Date
V06215		SW846 5035B/8015B GRO by GC/FID				V06215-002		
XG.2006.526.4	460-00-4	4-Bromofluorobenzene	82.4	% Recovery	78 - 114	1		05-01-06
XG.2006.526.4	98-08-8	aaa-Trifluorotoluene	113	% Recovery	65 - 119	1		05-01-06
V06203		SW846 5035B/8260B Purgeable VOCs by GC/MS				V06203-002		
XG.2006.487.7	17060-07-0	1,2-Dichloroethane-D4	97.6	% Recovery	80 - 119	1		04-25-06
XG.2006.565.7	17060-07-0	1,2-Dichloroethane-D4	97.6	% Recovery	80 - 119	1		04-25-06
XG.2006.487.7	460-00-4	4-Bromofluorobenzene	97.2	% Recovery	89 - 110	1		04-25-06
XG.2006.565.7	460-00-4	4-Bromofluorobenzene	97.2	% Recovery	89 - 110	1		04-25-06
XG.2006.487.7	1868-53-7	Dibromofluoromethane	100	% Recovery	86 - 106	1		04-25-06
XG.2006.565.7	1868-53-7	Dibromofluoromethane	100	% Recovery	86 - 106	1		04-25-06
XG.2006.487.7	2037-26-5	Toluene-D8	100	% Recovery	95 - 105	1		04-25-06
XG.2006.565.7	2037-26-5	Toluene-D8	100	% Recovery	95 - 105	1		04-25-06
S06216		SW846 8015B Diesel Range Organics by GC/FID				S06216-002		
XG.2006.485.5	84-15-1	o-Terphenyl	119	% Recovery	62 - 134	1		04-25-06

Sample: **MB** Matrix: **SOLID**

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Code	Run Date
V06215		SW846 5035B/8015B GRO by GC/FID				V06215-001		
XG.2006.526.3	460-00-4	4-Bromofluorobenzene	79.0	% Recovery	78 - 114	1		05-01-06
XG.2006.526.3	98-08-8	aaa-Trifluorotoluene	117	% Recovery	65 - 119	1		05-01-06
V06203		SW846 5035B/8260B Purgeable VOCs by GC/MS				V06203-001		
XG.2006.487.6	17060-07-0	1,2-Dichloroethane-D4	96.4	% Recovery	80 - 119	1		04-25-06
XG.2006.565.6	17060-07-0	1,2-Dichloroethane-D4	96.4	% Recovery	80 - 119	1		04-25-06
XG.2006.487.6	460-00-4	4-Bromofluorobenzene	100	% Recovery	89 - 110	1		04-25-06
XG.2006.565.6	460-00-4	4-Bromofluorobenzene	100	% Recovery	89 - 110	1		04-25-06
XG.2006.487.6	1868-53-7	Dibromofluoromethane	98.0	% Recovery	86 - 106	1		04-25-06
XG.2006.565.6	1868-53-7	Dibromofluoromethane	98.0	% Recovery	86 - 106	1		04-25-06
XG.2006.487.6	2037-26-5	Toluene-D8	100	% Recovery	95 - 105	1		04-25-06
XG.2006.565.6	2037-26-5	Toluene-D8	100	% Recovery	95 - 105	1		04-25-06
S06216		SW846 8015B Diesel Range Organics by GC/FID				S06216-001		
XG.2006.485.4	84-15-1	o-Terphenyl	109	% Recovery	62 - 134	1		04-25-06

Sample: **MS** Matrix: **SOLID**

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Code	Run Date
V06215		SW846 5035B/8015B GRO by GC/FID				V06215-006		
XG.2006.526.9	460-00-4	4-Bromofluorobenzene	97.8	% Recovery	78 - 114	1		05-01-06
XG.2006.526.9	98-08-8	aaa-Trifluorotoluene	113	% Recovery	65 - 119	1		05-01-06

Assaigal Analytical Laboratories, Inc.
QC Surrogate Summary

Client: **YATES PETROLEUM CORP.**
Project: **AGAVE GAS PLANT LAND FARM**
Order: **0604401 YAT01**

Sample: **MS** Matrix: **SOLID**

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Code	Run Date
V06203		SW846 5035B/8260B Purgeable VOCs by GC/MS					V06203-004	
XG.2006.487.9	17060-07-0	1,2-Dichloroethane-D4	97.6	% Recovery	80 - 119	10		04-25-06
XG.2006.565.9	17060-07-0	1,2-Dichloroethane-D4	97.6	% Recovery	80 - 119	10		04-25-06
XG.2006.487.9	460-00-4	4-Bromofluorobenzene	99.6	% Recovery	89 - 110	10		04-25-06
XG.2006.565.9	460-00-4	4-Bromofluorobenzene	99.6	% Recovery	89 - 110	10		04-25-06
XG.2006.487.9	1868-53-7	Dibromofluoromethane	97.2	% Recovery	86 - 106	10		04-25-06
XG.2006.565.9	1868-53-7	Dibromofluoromethane	97.2	% Recovery	86 - 106	10		04-25-06
XG.2006.487.9	2037-26-5	Toluene-D8	100	% Recovery	95 - 105	10		04-25-06
XG.2006.565.9	2037-26-5	Toluene-D8	100	% Recovery	95 - 105	10		04-25-06

S06216		SW846 8015B Diesel Range Organics by GC/FID					S06216-004	
XG.2006.485.7	84-15-1	o-Terphenyl	121	% Recovery	62 - 134	1		04-25-06

Sample: **MSD** Matrix: **SOLID**

Run Sequence	CAS #	Analyte	Result	Units	Range	Dilution Factor	Code	Run Date
V06215		SW846 5035B/8015B GRO by GC/FID					V06215-007	
XG.2006.526.10	460-00-4	4-Bromofluorobenzene	94.6	% Recovery	78 - 114	1		05-01-06
XG.2006.526.10	98-08-8	aaa-Trifluorotoluene	118	% Recovery	65 - 119	1		05-01-06
V06203		SW846 5035B/8260B Purgeable VOCs by GC/MS					V06203-005	
XG.2006.487.10	17060-07-0	1,2-Dichloroethane-D4	97.6	% Recovery	80 - 119	10		04-25-06
XG.2006.565.10	17060-07-0	1,2-Dichloroethane-D4	97.6	% Recovery	80 - 119	10		04-25-06
XG.2006.487.10	460-00-4	4-Bromofluorobenzene	99.2	% Recovery	89 - 110	10		04-25-06
XG.2006.565.10	460-00-4	4-Bromofluorobenzene	99.2	% Recovery	89 - 110	10		04-25-06
XG.2006.487.10	1868-53-7	Dibromofluoromethane	96.8	% Recovery	86 - 106	10		04-25-06
XG.2006.565.10	1868-53-7	Dibromofluoromethane	96.8	% Recovery	86 - 106	10		04-25-06
XG.2006.487.10	2037-26-5	Toluene-D8	100	% Recovery	95 - 105	10		04-25-06
XG.2006.565.10	2037-26-5	Toluene-D8	100	% Recovery	95 - 105	10		04-25-06

S06216		SW846 8015B Diesel Range Organics by GC/FID					S06216-005	
XG.2006.485.8	84-15-1	o-Terphenyl	121	% Recovery	62 - 134	1		04-25-06

Jones, Brad A., EMNRD

From: Price, Wayne, EMNRD
Sent: Tuesday, January 30, 2007 2:06 PM
To: Jones, Brad A., EMNRD
Subject: FW: Agave GW-053 and GW-185 modification

Please check into

Wayne Price
Environmental Bureau Chief
Oil Conservation Division
1220 S. Saint Francis
Santa Fe, NM 87505
505-476-3490
Fax: 505-476-3462

From: Jennifer Knowlton [mailto:jknowlton@YPCNM.COM]
Sent: Monday, December 04, 2006 2:09 PM
To: Price, Wayne, EMNRD
Cc: ehiser@jordenbischoff.com
Subject: FW: Agave GW-053 and GW-185 modification

Wayne,

In regards to your previous email about contacting me re the status of the application, this is the last email that I have. If you did in fact contact me via email with an update, please do do again.

Like I mentioned previously, Agave is anxious to close this application because it has been open for quite awhile.

Jennifer



Jennifer Knowlton
Environmental Engineer
Agave Energy Company
105 South Fourth Street
Artesia, New Mexico 88210
505.748.4471 Office
505.748-4275 Fax
505.238.3588 Cell

-----Original Message-----

From: Price, Wayne, EMNRD [mailto:wayne.price@state.nm.us]
Sent: Wednesday, July 26, 2006 1:52 PM
To: Jennifer Knowlton
Cc: Gum, Tim, EMNRD
Subject: Agave GW-053 and GW-185 modification

Dear Ms. Knowlton:

1/31/2007

OCD is in receipt of the GW-53 and GW-185 modification. Please note OCD considers this to be a major modification and will require Agave to submit a \$100 filing fee before processing the application. Please make check payable to the Water Quality Management Fund.

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient (s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

1/31/2007

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Wednesday, July 26, 2006 1:52 PM
To: 'jknowlton@ypcnm.com'
Cc: Gum, Tim, EMNRD
Subject: Agave GW-053 and GW-185 modification

Dear Ms. Knowlton:

OCD is in receipt of the GW-53 and GW-185 modification. Please note OCD considers this to be a major modification and will require Agave to submit a \$100 filing fee before processing the application. Please make check payable to the Water Quality Management Fund.

7/26/2006

AGAVE ENERGY COMPANY

105 South Fourth Street

Artesia, New Mexico 88210

(505) 748-4555

Fax (505) 748-4275

Via Certified Mail 7005 2570 6854 8521

July 17, 2006

Wayne Price
New Mexico OCD
1220 South St. Francis Drive
Santa Fe, NM 87505

**Re: Agave Gas Plant
Discharge Permit GW-053 Modification**

2006 JUL 19 PM 1 56

Dear Wayne:

Attached, please find an application to modify the Agave Gas Plant Discharge Permit. As of May 2005, Agave Energy Company has purchased the neighboring Duke Dagger Draw Gas Plant. These two facilities are neighboring and contiguous, sharing a common fenceline. Agave is in the process of modifying and consolidating the two facilities. This project also includes the installation of an acid gas injection system in lieu of a flare or SRU to dispose of the acid gas stream from the amine system. Agave has refurbished the cryogenic skids, removed two large gas fired compressor engines, and installed a new control system. Agave started moving gas through the modified facility in April 2006.

The Duke Dagger Draw Gas Plant was issued discharge permit GW-185. However, to the best of our knowledge, this facility has not operated since August 2003. This modification will merge the current discharge permits from the two facilities. The modification application also includes closure plans for the Agave Gas Plant Landfarm. This landfarm has not accepted any waste for approximately 18 months.

I look forward to working with you in issuing the modified discharge plan for the Agave Dagger Draw Gas Plant. If you have any questions regarding this application, please do not hesitate to contact me at 505-748-4471 or email me at jknowlton@ypcnm.com.

Sincerely,



Jennifer Knowlton
Environmental Engineer

Cc: OCD District office

(corres 071706.doc)

**OIL CONSERVATION DIVISION
DISCHARGE PLAN GW-053 MODIFICATION
AGAVE ENERGY COMPANY
AGAVE DAGGER DRAW GAS PLANT**



July 17, 2006

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

Revised June 10, 2003

Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS,
REFINERIES, COMPRESSOR, GEOTHERMAL FACILITIES
AND CRUDE OIL PUMP STATIONS**

(Refer to the OCD Guidelines for assistance in completing the application)

☐ New ☐ Renewal ☒ Modification

1. Type: Gas Processing Plant

2. Operator: Agave Energy Company

Address: 105 South Fourth Street Artesia NM 88210

Contact Person: Jennifer Knowlton Phone: 505-748-4471

3. Location: SE/4 SE/4 Section 25 Township 18S Range 25E

Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.

5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.

6. Attach a description of all materials stored or used at the facility.

7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.

8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.

9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.

10. Attach a routine inspection and maintenance plan to ensure permit compliance.

11. Attach a contingency plan for reporting and clean-up of spills or releases.

12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.

13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

14. CERTIFICATION: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Jennifer Knowlton

Title: Environmental Engineer

Signature: Jennifer Knowlton

Date: July 17, 2006

E-mail Address: jknowlton@ypcnm.com



1. Type: Gas Processing Plant

2. Operator: Agave Energy Company
Address: 105 South Fourth Street Artesia NM 88210
Contact Person: Jennifer Knowlton
Phone: 505-748-4471

3. Location: SE/4 SE/4
Section 25
Township 18S
Range 25E

4. Landowner: Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

5. As of May 2005, Agave Energy Company purchased the neighboring Duke Dagger Draw Gas Plant. These two facilities are neighboring and contiguous, sharing a common fenceline. Agave made significant improvements to the Agave Dagger Draw Gas Plant as part of the refurbishment process. The gas is treated to remove acid gas components, dehydrated to remove water, and processed to remove heavy (liquid) hydrocarbons from the gas stream. Plant systems include amine units, glycol dehydration units, a hot oil system, a cryogenic system followed by recompression of the residue gas, and the acid gas injection system. A flare will be necessary in the event that the acid gas system fails. A diagram of the facility is attached.

6. Materials Stored or Used at Facility:

1. Amine System – 4800 gallons of amine
2. Glycol System – 1452 gallons of glycol
3. Hot Oil System – 1000 gallons of oil
4. Activated Carbon Filters – 880 pounds
5. Molecular Sieve Material – 30,000 pounds
6. Coolant – 1000 gallon tank, 500 gallon tank
7. Lubricating Oil – 75 barrel tank, 500 gallon tank
8. Methanol – 100 gallon horizontal tank
9. Slop Tank – 150 barrel

7. Present Sources of Effluent and Waste Solids:

1. Inlet separator – 5 to 50 BPD of produced water and condensate, RCRA exempt
2. Inlet filter – <12 per year, RCRA exempt
3. Amine contactor/system – 4800 gallons of amine, RCRA exempt
4. Amine filters – <12 per year, RCRA exempt
5. Triethylene glycol – 1452 gallons of glycol, RCRA exempt
6. Glycol Filters – <12 per year, RCRA exempt
7. Oil – 1000 gallons, RCRA non-exempt
8. Engine lubricating oil – 180 gallons, RCRA non-exempt
9. Engine oil filters – <8 per year, RCRA non-exempt
10. Cryogenic skid filters – <25 per year, RCRA exempt

11. Molecular sieves – 30,000 pounds, RCRA exempt
12. Leach and septic system for office building

8. Current Liquid and Solid Waste Collection, Treatment and Disposal Procedures:

Waste lubrication and oil that may leak from the compressors is caught in an above ground cement lined containment system. From this system the waste oil is transferred to the sumps and to the slop tank. The amine, hot oil, and cryogenic plant systems are skid mounted. All of these skids have concrete containment areas that prevent any contaminants from discharging on to the ground. All washwater, along with any chemicals that may have leaked or spilled, are drained through a PVC drain system to the sump system. This sum system collects this material along with any rainwater that may fall into these contained areas to pumping to the slop tank. The slop tank is emptied via a tanker truck as necessary.

In the event of a spill within a containment not connected to the sump system, the spill is pumped out of the containment with a sump pump and disposed of according to the type of liquid. If the spill occurs on the ground, the soil is removed from site with the proper excavation equipment.

There is an earthen diked area which contains three small fiberglass storage tanks for oil and coolant. There is a second earthen diked area which contains a second lube oil tank. The amine storage tank and the glycol storage tank have concrete lined berms. The slop oil tank is contained in an earthen dike. All of the tank containment systems are designed to contain at least 133% of the volume of the tanks stored within the berm. There are two water tanks on site that are not bermed. These tanks contain freshwater for various activities including cleanup. If a spill were to occur from these tanks, there would be no adverse impact to the environment.

All filters and activated carbon are placed into containers onsite and transferred by Controlled Recovery, Inc to CRI's landfill in Halfway, New Mexico. Dust filters and cryogenic skid filters are allowed to dry out and then disposed of in dumpsters. If the amine, glycol, hot oil, or molecular sieve material needs to be replaced in whole, the material is disposed of properly.

9. Proposed Modifications to existing Collection, Treatment and Disposal Systems:

In May 2005, Agave Energy Company purchased the Duke Dagger Draw Gas Plant. This modification application will combine the Discharge Permit for the Agave Gas Plant (GW-053) and the Discharge Permit for the Duke Dagger Draw Gas Plant (GW-185) into a new Discharge Permit for the Agave Dagger Draw Gas Plant. Agave made significant changes to the operational of the gas plant; we did not modify the sump system or collection system the previously existed to the plant other than to replace the sump pumps if necessary.

Agave made no changes to the leach field and septic systems currently in operation at the facility.

10. Inspection and Maintenance Plan:

- a. Company personnel make daily inspections of the site. Malfunctions or breakdowns are noted and repaired.
- b. Any repair work that is needed is performed as required.
- c. A regular maintenance program is diligently carried out on all on-site equipment.

11. Plan for reporting and Cleanup of Spills or Releases:

- a. Standard company policy is to immediately secure the area to insure the safety of personnel and the public.
- b. Employees and contract personnel are dispatched to the spill area with necessary equipment and materials necessary to control and contain the spill and initiate clean-up program.
- c. Notification and any necessary follow-up reports will be made to the appropriate agencies (BLM, OCD, etc) pursuant to regulations.

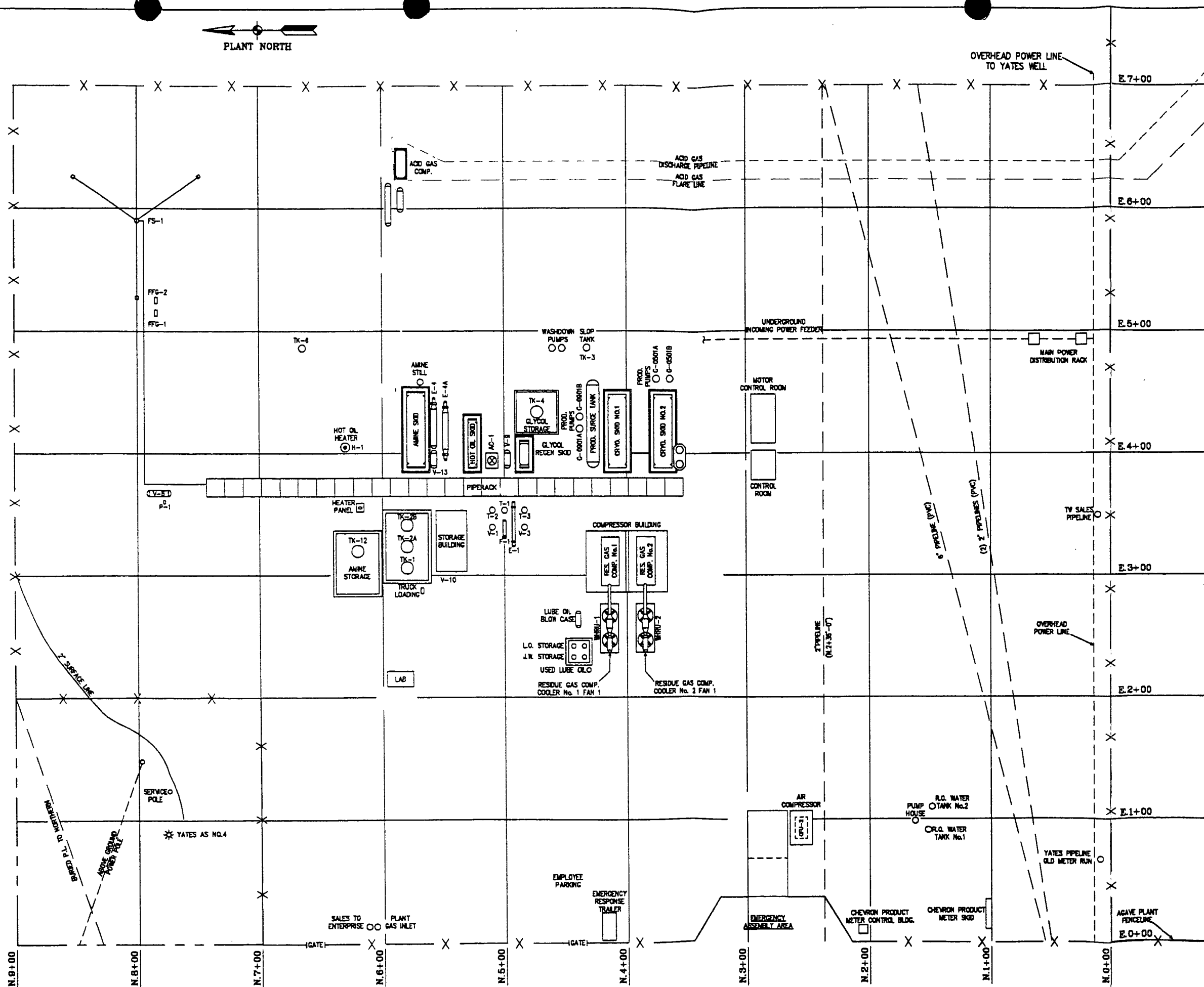
12. Geologic and Hydrological Information:

The facility is located in the plains southwest of Artesia in clay soil. The station is located within eight miles of the Pecos River and is subject to drainage to the east. The area is primarily rangeland consisting of prairie grass and mesquite. Non-potable surface waters are present at depths of approximately 200 feet.

13. Facility Closure Plan:

The Agave Gas Plant equipment is being decommissioned or integrated into the refurbished Agave Dagger Draw Gas Plant. The remaining equipment such as contact towers, glycol dehydration units, and tanks will likely stay onsite until such time as the equipment is needed at another site. The amine from the amine contactor has been removed and is being used at another facility. All other tanks are being emptied as needed.

Agave Energy Company will be closing the land farm located near the Artesia Field Office. No waste has been accepted at the facility in over a year. Soil samples were taken from each of the three areas in the land farm. Copies of the results of the soil samples are attached. Based on these results, Agave proposes the attached closure plan for the Agave Landfarm.



AGAVE ENERGY COMPANY 105 South Fourth Street, Artesia, New Mexico 88210			
AGAVE DAGGER DRAW NGL PLANT			
DESIGNED BY CHECKED BY APPROVED BY DATE	COUNTY ROAD SCALE: 1" = 100'	PRINTED 01/10	SHEET 1 OF 1

Closure Plan

for the

Agave Dagger Draw Gas Plant Landfarm

Agave Energy Company
July 17, 2006

Closure Plan

The landfarm operates pursuant to Discharge Permit GW-053. Condition 22 of the Discharge Permit requires that the Closure Plan be in accordance with the statutes, rules, and regulations in effect at the time of closure. Currently, New Mexico Administrative Code 19.15.9.711 governs the operation of surface waste management facilities, including landfarms. Regarding closure, the regulation only requires that "[c]losure shall be in accordance with the approved closure plan." See 19.15.9.711(D)(1) NMAC. As a result, the regulation provides little guidance regarding closure of the landfarm. However, OCD's Environmental Handbook includes the Surface Waste Management Facility Guidelines (Tab 4a) that provides guidance on closure plans. Agave has prepared this closure plan in accordance with the Environmental Handbook's Guidance.

This Closure Plan represents final closure of the Agave landfarm and shall not be superseded by subsequent regulation.

Landfarm Background.

The landfarm is located at the Agave Gas Plant GW-053 located in the SE/4 SE/4 of Section 25, Township 18 South, Range 25 East, NMPM, Eddy County, New Mexico. The landfarm consists of three sections, the "west bio-cell south half," the "west bio-cell north half," and the "east bio-cell." Each section of the landfarm is independent and is thus considered separately. The dimensions of the three sections are as follows:

Cell	Dimensions (feet)	Area (acres)
west bio-cell south half	207 x 351	1.7
west bio-cell north half	405 x 351	3.3
east bio-cell	183 x 192	0.8

The landfarm is located within the fenced confines of Agave's Dagger Draw Gas Plant and is not accessible to the general public or animals. Access to the facility and thus the landfarm is controlled through a locked gate.

The landfarm does not pose a threat to groundwater. Located adjacent to the Agave's facility is Agave's Penasco Compressor Station. This facility has a well that, according to the New Mexico Office of the State Engineer, has a depth to groundwater of 200 feet. See N.M. Office of the State Engineer, POD Reports and Downloads, section 26, attached as Appendix A. As a result, the physical aspects of the landfarm demonstrate that it will not pose a threat to human health or the environment.

Specific aspects of the closure plan as required by the OCD Environmental Handbook are as follows.

1. When the facility is to be closed no new material should be accepted.

Agave no longer accepts waste at the landfarm. Agave ceased accepting wastes for this landfarm approximately eighteen months prior to the submission of this closure plan.

2. Existing landfarm soils should be remediated until they meet the OCD standards in effect at the time of closure.

At the time of closure, OCD has not promulgated numeric soil closure standards for waste disposal facilities including landfarms of this type. *See* 19.15.9.711(D) NMAC. In addition, Discharge Permit number GW-053 does not impose numerical standards for closure. However, Agave has measured the soil concentrations of contaminants, including gasoline range organics (GRO), diesel range organics (DRO), chloride, benzene, toluene, ethylbenzene, o- and p/m-xylenes, and several heavy metals from each section of the landfarm. The results of this analysis are attached.

Agave notes that the analysis was unable to detect any benzene, toluene, ethylbenzene, o- and p/m-xylenes, mercury, or gasoline range organics in any of the sections.

The levels of those contaminants remaining in the landfarm are too nominal to present a threat. The New Mexico Environment Department and EPA each utilize "soil screening levels (SSLs)" to demarcate levels of contaminants in soil that require no further attention. *See* EPA, *Soil Screening Guidance: User's Guide* (2d ed. 1996); NMED, *Technical Background Document for Development of Soil Screening Levels: Revision 3.0*, 31 (Aug. 2005). NMED has calculated "Industrial/Occupational Soil" SSL's for commercial and industrial workers that are based on a worker who spends all or most of the work day outside and has extensive exposure to the contaminated soil. *See* NMED, *Technical Background Document for Development of Soil Screening Levels* at 13 (Attached as Appendix B). Because Agave has no workers that will be involved in extensive contact with these areas, the "Industrial/Occupational Soil" SSLs present a conservative level of protection. As can be seen by comparing the measured levels of metals in the soil with the NMED Industrial/Occupational Soil SSLs, the landfarm presents no threat. In addition, because the landfarm is within the fenced industrial facility, there is no threat of non-Agave employees coming into contact with the soil.

EPA has not developed SSLs for DRO or chloride. In this instance, Agave will use the landfarm area to store equipment. Thus, the area will not be revegetated. For this reason, the chloride presents no threat to vegetation. In addition, the chloride is not a threat to groundwater. As discussed, the depth to groundwater at this site is 200 feet. In addition, to determine a soil concentration that is protective of groundwater, EPA and NMED utilize a "dilution attenuation factor" or "DAF." EPA, *Soil Screening Guidance*; NMED, *Technical Background Document for Development of Soil Screening Levels*. The DAF allows a facility to calculate a site-specific SSL that takes into account how a contaminant's concentrations is attenuated by physical, chemical, and biological processes as it moves through the soil. NMED, *Technical Background Document for Development of Soil Screening Levels* at 31. A DAF is dependent upon the landfarm's area and physical soil characteristics. In general, DAF values are greater for small landfarms and thus small landfarms are less of a threat to groundwater. A table relating landfarm area to DAF is attached as Appendix C. The table, originally developed by EPA, is an excerpt from Wayne Price's Exhibit from the New Mexico Oil Conservation Division's hearing for the proposed

surface waste management facilities rulemaking. The area-weighted DAF value for each section of the landfarm is as follows:¹

Section	Area (acres)	DAF
West bio-cell south half	1.7	33
West bio-cell north half	3.3	18
East bio-cell	0.8	60

The level of a contaminant that is not a threat to groundwater may be calculated by multiplying the WQCC groundwater standard by the DAF. In other words, if the concentration of the contaminant in the landfarm is less than the product of the WQCC standard and the DAF, the landfarm does not present a threat to groundwater. In this case, the WQCC chloride standard is 250 mg/kg. Thus, the level of chloride that is not a threat to groundwater in each section is 8250 mg/kg in the west bio-cell south half, 4500 in the West bio-cell north half, and 15,000 mg/kg in the east bio-cell. The actual soil chloride level in each section is well below these threshold levels.

In addition, the GRO and DRO levels in the landfarm do not require additional remediation for closure of the site. Agave has not accepted waste at the landfarm for approximately eighteen months. Since that time, however, Agave has continued to comply with the landfarm operating conditions of its discharge permit. That is, Agave has removed pooled water within twenty-four hours of discovery, has inspected the landfarm weekly, and has disked the soil a minimum of once every two weeks to enhance biodegradation of contaminants. The disking diminished the level of GRO and DRO in the landfarm to the point that an analysis using EPA method 8015B demonstrated GRO levels of essentially zero and DRO levels less than 3800 mg/kg. For this reason, the landfarm requires no additional remediation of GRO or DRO.

- 3. Provide a facility closure plan detailing plans as necessary for removal of all fluids and/or wastes, back-filling, grading and mounding of pits, cleanup of contaminated soils, and if necessary, aquifer restoration.**

The landfarm does not contain any fluids that must be removed. As stated, the landfarm is located within the confines of the Agave Gas Plant. The equipment at the gas plant does not affect the landfarm. In fact, Agave plans on using this area to store equipment. For this reason, Agave will remove the landfarm berm and contour the landfarm area so it is suitable for storing equipment.

- 4. The area should be reseeded with natural grasses and allowed to return to its natural state.**

Agave does not intend on re-vegetating the site because the site will be used to store equipment. Agave plans to treat the area with a weed inhibitor solution. This is usually applied as a safety precaution to all sites to control weed growth as part of our ongoing fire safety measures.

¹ An area-weighted DAF has not been calculated for each section's exact size. Agave used the DAF value for the next largest area. In choosing a larger landfarm area, Agave is calculating an overly protective value because DAF values are inversely related to landfarm area.

Closure Plan
Agave Dagger Draw Gas Plant Landfarm
Agave Gas Company
July 17, 2006
Page 5 of 5

- 5. Closure shall be pursuant to all OCD requirements in effect at the time of closure, and any other applicable local, state and/or federal regulations.**

This closure plan meets the applicable OCD requirements. There are no applicable federal or state regulations.

- 6. Cost estimate for Closure.**

Agave anticipates that the cost of the dirt work will be approximately \$15,000 to \$20,000. This will include knocking down the existing berms and leveling the area to match the facility topography.

ASSAIGAI ANALYTICAL LABORATORIES, INC.

4301 Masthead NE, Ste. A • Albuquerque, New Mexico 87109 • (505) 345-8964 • FAX (505) 345-7259

3332 Wedgewood, Ste. N • El Paso, Texas 79925 • (915) 593-6000 • FAX (915) 593-7820
127 Eastgate Drive, 212-C • Los Alamos, New Mexico 87544 • (505) 662-2558

MAIL ROOM

MAY 22 2008

Explanation of codes

B	Analyte Detected in Method Blank
E	Result is Estimated
H	Analyzed Out of Hold Time
N	Tentatively Identified Compound
S	Subcontracted
1-9	See Footnote

YATES PETROLEUM CORP.
attn: **MIKE STUBBLEFIELD**
105 S. 4TH STREET
ARTESIA

NM 88210

STANDARD

Assaigai Analytical Laboratories, Inc.

Certificate of Analysis

All samples are reported on an "as received" basis, unless otherwise noted (i.e. - Dry Weight).

Client: **YATES PETROLEUM CORP.**
Project: **AGAVE GAS PLANT LAND FARM**
Order: **0604401 YAT01** Receipt: **04-19-06**

William P. Biays, President of Assaigai Analytical Laboratories, Inc.

Sample: **1. WEST BIO-CEL SOUTH HALF**
Matrix: **COMP**

Collected: 04-18-06 11:00:00 By: MS

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
0604401-0001A		SW846 3050B/6010B ICP		By: TGA						
M06464	MT.2006.836.19	7440-38-2	Arsenic	8.38	mg/kg	1	0.25		05-03-06	05-05-06
M06464	MT.2006.836.19	7440-39-3	Barium	264	mg/kg	1	0.15		05-03-06	05-05-06
M06464	MT.2006.836.19	7440-43-9	Cadmium	1.28	mg/kg	1	0.25		05-03-06	05-05-06
M06464	MT.2006.836.23	7440-47-3	Chromium	14.4	mg/kg	5	0.1		05-03-06	05-05-06
M06464	MT.2006.836.19	7439-92-1	Lead	8.93	mg/kg	1	0.25		05-03-06	05-05-06
M06464	MT.2006.836.19	7782-49-2	Selenium	3.56	mg/kg	1	0.5		05-03-06	05-05-06
M06464	MT.2006.836.19	7440-22-4	Silver	1.75	mg/kg	1	0.25		05-03-06	05-05-06
0604401-0001A		SW846 5035B/8015B GRO by GC/FID		By: EJB						
V06215	XG.2006.526.5		Gasoline Range Organics	ND	mg / Kg	1	0.55		05-01-06	05-01-06
0604401-0001A		SW846 5035B/8260B Purgeable VOCs by GC/MS		By: TRS						
V06203	XG.2006.565.8	71-43-2	Benzene	ND	mg / Kg	10	0.005		04-25-06	04-25-06
V06203	XG.2006.565.8	100-41-4	Ethylbenzene	ND	mg / Kg	10	0.005		04-25-06	04-25-06
V06203	XG.2006.565.8	95-47-6	o-Xylene	ND	mg / Kg	10	0.005		04-25-06	04-25-06
V06203	XG.2006.565.8	108-38-3/106-42	p/m-Xylenes	ND	mg / Kg	10	0.01		04-25-06	04-25-06
V06203	XG.2006.497.8	108-88-3	Toluene	ND	mg / Kg	10	0.005		04-25-06	04-25-06
0604401-0001A		SW846 7471B CVAA		By: BAS						
M06463	MT.2006.809.14	7439-97-6	Mercury	ND	ug / Kg	1	20		05-03-06	05-03-06
0604401-0001A		SW846 8015B Diesel Range Organics by GC/FID		By: RLG						
S06216	XG.2006.499.4		Diesel Range Organics	260	mg / Kg	1	25		04-24-06	04-26-06
0604401-0001A		SW846 9056 Anions by Ion Chromatography		By: JTK						
W06318	WC.2006.1056.4	16887-00-6	Chloride	3550	mg / Kg	50	0.5		04-27-06	04-27-06

Assagai Analytical Laboratories, Inc.

Certificate of Analysis

All samples are reported on an "as received" basis, unless otherwise noted (i.e. - Dry Weight).

Client: **YATES PETROLEUM CORP.**
 Project: **AGAVE GAS PLANT LAND FARM**
 Order: **0604401 YAT01** Receipt: **04-19-06**

Sample: **2. WEST BIO-CEL NORTH HALF**
 Matrix: **COMP**

Collected: 04-18-06 11:15:00 By: MS

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
0604401-0002A		SW846 3050B/6010B ICP		By: TGA						
M06464	MT.2006.836.28	7440-38-2	Arsenic	4.98	mg/kg	1	0.25		05-03-06	05-05-06
M06464	MT.2006.845.36	7440-39-3	Barium	486	mg/kg	100	0.15		05-03-06	05-09-06
M06464	MT.2006.836.28	7440-43-9	Cadmium	0.800	mg/kg	1	0.25		05-03-06	05-05-06
M06464	MT.2006.836.28	7440-47-3	Chromium	9.13	mg/kg	1	0.1		05-03-06	05-05-06
M06464	MT.2006.836.28	7439-92-1	Lead	4.18	mg/kg	1	0.25		05-03-06	05-05-06
M06464	MT.2006.836.28	7782-49-2	Selenium	2.64	mg/kg	1	0.5		05-03-06	05-05-06
M06464	MT.2006.836.28	7440-22-4	Silver	0.800	mg/kg	1	0.25		05-03-06	05-05-06
0604401-0002A		SW846 5035B/8015B GRO by GC/FID		By: EJB						
V06215	XG.2006.526.6		Gasoline Range Organics	ND	mg / Kg	1	0.55		05-01-06	05-01-06
0604401-0002A		SW846 5035B/8260B Purgeable VOCs by GC/MS		By: TRS						
V06203	XG.2006.565.11	71-43-2	Benzene	ND	mg / Kg	10	0.005		04-25-06	04-25-06
V06203	XG.2006.565.11	100-41-4	Ethylbenzene	ND	mg / Kg	10	0.005		04-25-06	04-25-06
V06203	XG.2006.565.11	95-47-6	o-Xylene	ND	mg / Kg	10	0.005		04-25-06	04-25-06
V06203	XG.2006.565.11	108-38-3/106-42	p/m-Xylenes	ND	mg / Kg	10	0.01		04-25-06	04-25-06
V06203	XG.2006.565.11	108-88-3	Toluene	ND	mg / Kg	10	0.005		04-25-06	04-25-06
0604401-0002A		SW846 7471B CVAA		By: BAS						
M06463	MT.2006.809.22	7439-97-6	Mercury	ND	ug / Kg	1	20		05-03-06	05-03-06
0604401-0002A		SW846 8015B Diesel Range Organics by GC/FID		By: RLG						
S06216	XG.2006.485.20		Diesel Range Organics	2600	mg / Kg	10	25		04-24-06	04-26-06
0604401-0002A		SW846 9056 Anions by Ion Chromatography		By: JTK						
W06318	WC.2006.1056.7	16887-00-6	Chloride	1200	mg / Kg	50	0.5		04-27-06	04-27-06
Sample: 3. EAST BIO-CEL		Collected: 04-18-06 11:30:00 By: MS								
Matrix: COMP										

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
0604401-0003A		SW846 3050B/6010B ICP		By: TGA						
M06464	MT.2006.836.30	7440-38-2	Arsenic	7.37	mg/kg	1	0.25		05-03-06	05-05-06
M06464	MT.2006.845.37	7440-39-3	Barium	209	mg/kg	50	0.15		05-03-06	05-09-06
M06464	MT.2006.836.30	7440-43-9	Cadmium	1.04	mg/kg	1	0.25		05-03-06	05-05-06
M06464	MT.2006.836.31	7440-47-3	Chromium	11.4	mg/kg	10	0.1		05-03-06	05-05-06
M06464	MT.2006.836.30	7439-92-1	Lead	7.58	mg/kg	1	0.25		05-03-06	05-05-06
M06464	MT.2006.836.30	7782-49-2	Selenium	2.26	mg/kg	1	0.5		05-03-06	05-05-06
M06464	MT.2006.836.30	7440-22-4	Silver	1.16	mg/kg	1	0.25		05-03-06	05-05-06
0604401-0003A		SW846 5035B/8015B GRO by GC/FID		By: EJB						
V06215	XG.2006.526.7		Gasoline Range Organics	ND	mg / Kg	1	0.55		05-01-06	05-01-06
0604401-0003A		SW846 5035B/8260B Purgeable VOCs by GC/MS		By: TRS						
V06203	XG.2006.565.12	71-43-2	Benzene	ND	mg / Kg	10	0.005		04-25-06	04-25-06

Assagai Analytical Laboratories, Inc.

Certificate of Analysis

All samples are reported on an "as received" basis, unless otherwise noted (i.e. - Dry Weight).

Client: **YATES PETROLEUM CORP.**Project: **AGAVE GAS PLANT LAND FARM**Order: **0604401 YAT01** Receipt: **04-19-06**Sample: **3. EAST BIO-CEL**Collected: **04-18-06 11:30:00** By: **MS**Matrix: **COMP**

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
0604401-0003A		SW846 5035B/8260B Purgeable VOCs by GC/MS						By: TRS		
V06203	XG.2006.565.12	100-41-4	Ethylbenzene	ND	mg / Kg	10	0.005		04-25-06	04-25-06
V06203	XG.2006.565.12	95-47-6	o-Xylene	ND	mg / Kg	10	0.005		04-25-06	04-25-06
V06203	XG.2006.565.12	108-38-3/106-42	p/m-Xylenes	ND	mg / Kg	10	0.01		04-25-06	04-25-06
V06203	XG.2006.565.12	108-88-3	Toluene	ND	mg / Kg	10	0.005		04-25-06	04-25-06
0604401-0003A		SW846 7471B CVAA						By: BAS		
M06463	MT.2006.809.23	7439-97-6	Mercury	ND	ug / Kg	1	20		05-03-06	05-03-06
0604401-0003A		SW846 8015B Diesel Range Organics by GC/FID						By: RLG		
S06216	XG.2006.485.21		Diesel Range Organics	3800	mg / Kg	10	25		04-24-06	04-26-06
0604401-0003A		SW846 9056 Anions by Ion Chromatography						By: JTK		
W06318	WC.2006.1056.8	16887-00-6	Chloride	735	mg / Kg	50	0.5		04-27-06	04-27-06

Unless otherwise noted, all samples were received in acceptable condition and all sampling was performed by client or client representative. Sample result of ND indicates Not Detected, ie result is less than the sample specific Detection Limit. Sample specific Detection Limit is determined by multiplying the sample Dilution Factor by the listed Reporting Detection Limit. All results relate only to the items tested. Any miscellaneous workorder information or footnotes will appear below.

Analytical results are not corrected for method blank or field blank contamination.

MEMO: Samples were received at 13.7 degrees Celsius.

Appendix A

New Mexico Office of the State Engineer
Depth to Groundwater

New Mexico Office of the State Engineer
POD Reports and Downloads

Township: Range: Sections: NAD27 X: Y: Zone: Search Radius: County: Basin: Number: Suffix: Owner Name: (First) (Last) ☐ Non-Domestic ☐ Domestic ☒ All☐ POD / Surface Data Report ☐ Avg Depth to Water Report ☐ Water Column Report**AVERAGE DEPTH OF WATER REPORT 06/08/2006**

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg
RA	18S	25E	01				3	170	187	176
RA	18S	25E	02				1	175	175	175
RA	18S	25E	03				4	140	185	173
RA	18S	25E	04				2	155	155	155
RA	18S	25E	10				1	168	168	168
RA	18S	25E	12				1	200	200	200
RA	18S	25E	18				1	230	230	230
RA	18S	25E	21				2	150	220	185
RA	18S	25E	24				1	158	158	158
RA	18S	25E	26				1	200	200	200
RA	18S	25E	32				1	300	300	300
RA	18S	25E	36				1	270	270	270

Record Count: 19

Appendix B

New Mexico Environment Department
Technical Background Document for Development
of Soil Screening Levels

NEW MEXICO ENVIRONMENT DEPARTMENT

**Hazardous Waste Bureau
and
Ground Water Quality Bureau
Voluntary Remediation Program**

**TECHNICAL BACKGROUND DOCUMENT FOR DEVELOPMENT OF SOIL
SCREENING LEVELS
REVISION 3.0**

August 2005

NMED Soil Screening Levels
August 2005
Revision 3.0

Table A-1
NMED Soil Screening Levels

Chemical	Residential Soil (mg/kg)	End- point	Industrial/ Occupational Soil (mg/kg)	End- point	Construction Worker Soil (mg/kg)	End- point	VOC	Tap Water (ug/L)	End- point	DAF 1 (mg/kg)	DAF 20 (mg/kg)
2-Butanone (MEK)	4.86E-03	sat	4.86E-03	sat	4.86E-03	sat	x	7.06E+03	nc	1.27E+00	2.54E+01
tert-Butyl methyl ether (MTBE)	6.67E-03	sat	6.67E-03	sat	6.67E-03	sat	x	6.26E+03	nc		
n-Butylbenzene	6.21E+01	sat	6.21E+01	sat	6.21E+01	sat	x	2.43E+02	nc	1.08E+00	2.16E+01
sec-Butylbenzene	6.06E+01	sat	6.06E+01	sat	6.06E+01	sat	x	2.43E+02	nc	8.68E-01	1.74E+01
tert-Butylbenzene	1.06E+02	sat	1.06E+02	sat	1.06E+02	sat	x	2.43E+02	nc	8.60E-01	1.72E+01
Cadmium	3.90E+01	nc	5.64E+02	nc	1.54E+02	nc		1.83E+01		1.37E+00	2.75E+01
Carbon disulfide	1.97E+02	nc	4.60E+02	sat	4.60E+02	sat	x	1.04E+03	nc	4.03E-01	8.06E+00
Carbon tetrachloride	9.65E-01	nc	2.69E+00	ca	3.16E+00	nc	x	1.69E+00	ca	9.88E-04	1.98E-02
Chlordane	1.62E+01	ca	7.19E+01	ca	1.30E+02	nc		1.90E+00	ca	3.42E-01	6.83E+00
2-Chloroacetophenone	1.35E-02	nc	4.97E-02	nc	4.42E-02	nc	x	5.22E-02	nc	4.43E-05	8.85E-04
2-Chloro-1,3-butadiene	1.93E+00	nc	7.00E+00	nc	6.29E+00	nc	x	1.43E+01	nc	5.79E-03	1.16E-01
1-Chloro-1,1-difluoroethane	2.11E+02	sat	2.11E+02	sat	2.11E+02	sat	x	8.66E+04	nc	6.52E+01	1.30E+03
Chlorobenzene	6.44E+01	nc	2.41E+02	nc	2.12E+02	nc	x	1.06E+02	nc	5.51E-02	1.10E+00
1-Chlorobutane	2.99E+02	sat	2.99E+02	sat	2.99E+02	sat	x	2.43E+03	nc	9.84E-01	1.97E+01
Chlorodifluoromethane	2.11E+02	sat	2.11E+02	sat	2.11E+02	sat	x	9.75E+04	nc	7.33E+01	1.47E+03
Chloroethane	1.96E+01	ca	4.71E+01	ca	1.05E+03	ca	x	3.81E+01	ca	9.53E-03	1.91E-01
Chloroform	1.21E+00	ca	2.90E+00	ca	6.53E+01	ca	x	1.65E+00	ca	4.14E-04	8.28E-03
Chloromethane	6.83E+00	ca	1.65E+01	ca	8.63E+01	nc	x	1.49E+01	ca	5.12E-03	1.02E-01
b-Chloronaphthalene	3.09E+01	sat	3.09E+01	sat	3.09E+01	sat	x	4.87E+02	nc	1.25E+00	2.51E+01
o-Chloronitrobenzene	6.72E-01	nc	2.46E+00	nc	2.20E+00	nc	x	1.45E-01	nc	3.94E-05	7.88E-04
p-Chloronitrobenzene	5.37E+00	nc	2.05E+01	nc	1.78E+01	nc	x	1.20E+00	nc	3.25E-04	6.50E-03
2-Chlorophenol	7.25E+01	nc	3.06E+02	nc	2.45E+02	nc	x	3.04E+01	nc	2.36E-02	4.72E-01
2-Chloropropane	9.39E+01	nc	3.52E+02	nc	3.09E+02	nc	x	1.76E+02	nc	4.61E-02	9.21E-01
o-Chlorotoluene	7.15E+01	nc	2.02E+02	sat	2.02E+02	sat	x	1.22E+02	nc	5.23E-02	1.05E+00
Chromium III	1.00E+05	max	1.00E+05	max	1.00E+05	max		5.48E+04	nc	9.86E+07	1.97E+09
Chromium VI	2.34E+02	nc	3.40E+03	nc	2.61E+01	ca		1.10E+02	nc	2.10E+00	4.20E+01
Chrysene	9.55E-01	sat	9.55E-01	sat	9.55E-01	sat	x	2.91E+01	ca	1.74E+01	3.48E+02
Cobalt	1.52E+03	nc	2.05E+04	nc	6.10E+01	nc		7.30E+02	nc	3.31E+01	6.61E+02
Copper	3.13E+03	nc	4.54E+04	nc	1.24E+04	nc		1.46E+03	nc	5.15E+01	1.03E+03
Crotonaldehyde	3.37E+00	ca	1.67E+01	ca	5.27E+01	sat	x	3.49E-01	ca	9.20E-04	1.84E-02
Cumene (isopropylbenzene)	3.41E+01	sat	3.41E+01	sat	3.41E+01	sat	x	6.78E+02	nc	3.79E-01	7.59E+00
Cyanide	1.56E+03	nc	2.27E+04	nc	6.19E+03	nc		7.30E+02	nc	7.35E+00	1.47E+02
Cyanogen	7.68E+01	nc	2.84E+02	nc	2.52E+02	nc	x	2.43E+02	nc	5.78E-02	1.16E+00

Chemical	Residential Soil (mg/kg)	End- point	Industrial/ Occupational Soil (mg/kg)	End- point	Construction Worker Soil (mg/kg)	End- point	VOC	Tap Water (ug/L)	End- point	DAF 1 (mg/kg)	DAF 20 (mg/kg)
Cyanogen bromide	1.73E+02	nc	6.39E+02	nc	5.67E+02	nc	x	5.48E+02	nc	1.30E-01	2.60E+00
Cyanogen chloride	9.60E+01	nc	3.55E+02	nc	3.15E+02	nc	x	3.04E+02	nc	7.22E-02	1.44E+00
DDD	2.44E+01	ca	1.11E+02	ca	8.07E+02	ca		2.77E+00	ca	4.15E+00	8.30E+01
DDE	1.72E+01	ca	7.81E+01	ca	5.70E+02	ca		1.95E+00	ca	1.31E+01	2.62E+02
DDT	1.72E+01	ca	7.81E+01	ca	1.38E+02	nc		1.95E+00	ca	7.70E+00	1.54E+02
Dibenz(a,h)anthracene	6.21E-01	ca	2.34E+00	ca	2.12E+01	ca		9.09E-02	ca	5.18E-01	1.04E+01
Dibenzofuran	3.66E+01	sat	3.66E+01	sat	3.66E+01	sat	x	1.22E+01	nc	1.44E-01	2.87E+00
1,2-Dibromo-3-chloropropane	1.03E+00	nc	4.52E+00	nc	3.51E+00	nc	x	3.47E-01	nc	7.49E-05	1.50E-03
Dibromochloromethane	4.42E+00	ca	1.09E+01	ca	2.30E+02	ca	x	1.32E+00	ca	1.16E-03	2.32E-02
1,2-Dibromoethane	1.82E-01	ca	4.49E-01	ca	9.49E+00	ca	x	5.53E-02	ca	1.33E-05	2.66E-04
1,4-Dichloro-2-butene	4.29E-02	ca	1.06E-01	ca	2.23E+00	ca	x	1.19E-02	ca	2.93E-06	5.87E-05
1,2-Dichlorobenzene	4.30E+01	sat	4.30E+01	sat	4.30E+01	sat	x	3.70E+02	nc	1.02E-01	2.04E+00
1,3-Dichlorobenzene	1.74E+02	sat	1.74E+02	sat	1.74E+02	sat	x	1.83E+02	nc	2.03E-01	4.06E+00
1,4-Dichlorobenzene	1.33E+01	ca	3.28E+01	ca	8.19E+01	sat	x	4.95E+00	ca	5.49E-03	1.10E-01
3,3-Dichlorobenzidine	1.08E+01	ca	4.26E+01	ca	3.63E+02	ca		1.47E+00	ca	1.86E-03	3.71E-02
Dichlorodifluoromethane	4.95E+01	nc	1.80E+02	nc	1.62E+02	nc	x	3.95E+02	nc	2.97E-01	5.94E+00
1,1-Dichloroethane	3.00E+02	nc	1.12E+03	nc	9.88E+02	nc	x	8.11E+02	nc	2.01E-01	4.03E+00
1,2-Dichloroethane	1.82E+00	ca	4.42E+00	ca	1.83E+01	nc	x	1.22E+00	ca	2.48E-04	4.97E-03
cis-1,2-Dichloroethene	2.49E+01	nc	9.24E+01	nc	8.17E+01	nc	x	6.08E+01	nc	1.50E-02	3.00E-01
trans-1,2-Dichloroethene	3.71E+01	nc	1.37E+02	nc	1.22E+02	nc	x	1.22E+02	nc	3.63E-02	7.26E-01
1,1-Dichloroethene	6.41E+01	nc	2.36E+02	nc	2.10E+02	nc	x	3.39E+02	nc	1.33E-01	2.67E+00
2,4-Dichlorophenol	1.83E+02	nc	2.05E+03	nc	6.99E+02	nc		1.10E+02	nc	4.31E-02	8.63E-01
1,2-Dichloropropane	1.90E+00	ca	4.60E+00	ca	1.08E+01	nc	x	1.63E+00	ca	4.11E-04	8.22E-03
1,3-Dichloropropene	4.36E+00	ca	1.08E+01	ca	2.87E+01	nc	x	3.90E+00	ca	1.28E-03	2.57E-02
Dicyclopentadiene	1.98E-01	nc	7.19E-01	nc	6.47E-01	nc	x	4.17E-01	nc	4.50E-04	9.01E-03
Dieldrin	3.04E-01	ca	1.20E+00	ca	1.02E+01	ca		4.15E-02	ca	1.34E-03	2.68E-02
Diethyl phthalate	4.89E+04	nc	1.00E+05	max	1.00E+05	max		2.92E+04	nc	1.77E+01	3.54E+02
Dimethyl phthalate	1.00E+05	max	1.00E+05	max	1.00E+05	max		3.65E+05	nc	8.36E+01	1.67E+03
Di-n-butyl phthalate	6.11E+03	nc	6.84E+04	nc	2.33E+04	nc		3.65E+03	nc	1.86E+02	3.72E+03
2,4-Dimethylphenol	1.22E+03	nc	1.37E+04	nc	4.66E+03	nc		7.30E+02	nc	3.55E-01	7.11E+00
2,4-Dimethylphenol	6.11E+00	nc	6.84E+01	nc	2.33E+01	nc		3.65E+00	nc	3.93E-03	7.85E-02
4,6-Dinitro-o-cresol	1.22E+02	nc	1.37E+03	nc	4.66E+02	nc		7.30E+01	nc	5.25E-02	1.05E+00

Chemical	Residential Soil (mg/kg)	End-point	Industrial/ Occupational Soil (mg/kg)	End-point	Construction Worker Soil (mg/kg)	End-point	VOC	Tap Water (ug/L)	End-point	DAF 1 (mg/kg)	DAF 20 (mg/kg)
2,4-Dinitrotoluene	1.22E+02	nc	1.37E+03	nc	4.66E+02	nc		7.30E+01	nc	2.31E-02	4.62E-01
1,2-Diphenylhydrazine	6.08E+00	ca	2.39E+01	ca	2.04E+02	ca		8.30E-01	ca	4.48E-03	8.95E-02
Endosulfan	3.67E+02	nc	4.10E+03	nc	1.40E+03	nc		2.19E+02	nc	7.41E-01	1.48E+01
Endrin	1.83E+01	nc	2.05E+02	nc	6.99E+01	nc		1.10E+01	nc	2.04E-01	4.08E+00
Epichlorohydrin	6.13E+00	nc	2.29E+01	nc	2.02E+01	nc	x	2.03E+00	nc	3.62E-04	7.25E-03
Ethyl acetate	1.09E+04	nc	2.10E+04	sat	2.10E+04	sat	x	5.48E+03	nc	1.44E+00	2.87E+01
Ethyl acrylate	8.61E-01	ca	2.07E+00	ca	4.62E+01	ca	x	2.30E+00	ca	6.01E-03	1.20E-01
Ethyl chloride	1.96E+01	ca	4.71E+01	ca	1.05E+03	ca	x	3.81E+01	ca	9.53E-03	1.91E-01
Ethyl ether	1.94E+03	sat	1.94E+03	sat	1.94E+03	sat	x	1.22E+03	nc	2.37E-01	4.73E+00
Ethyl methacrylate	5.27E+01	sat	5.27E+01	sat	5.27E+01	sat	x	5.48E+02	nc	1.44E+00	2.88E+01
Ethylbenzene	1.28E+02	sat	1.28E+02	sat	1.28E+02	sat	x	1.34E+03	nc	1.01E+00	2.03E+01
Ethylene oxide	1.18E+00	ca	3.13E+00	ca	5.74E+01	ca	x	2.41E-01	ca	4.27E-05	8.54E-04
Fluoranthene	2.29E+03	nc	2.44E+04	nc	8.73E+03	nc		1.46E+03	nc	2.35E+02	4.69E+03
Fluorene	3.97E+01	sat	3.97E+01	sat	3.97E+01	sat	x	2.43E+02	nc	5.08E+00	1.02E+02
Fluoride	4.68E+03	nc	6.77E+04	nc	1.85E+04	nc		2.19E+03	nc	3.29E+02	6.58E+03
Furan	1.76E+00	nc	6.51E+00	nc	5.78E+00	nc	x	6.08E+00	nc	1.32E-03	2.65E-02
Heptachlor	1.08E+00	ca	4.26E+00	ca	3.63E+01	ca		1.47E-01	ca	3.12E-01	6.24E+00
Hexachlorobenzene	3.04E+00	ca	1.20E+01	ca	1.02E+02	ca		4.15E-01	ca	3.43E-02	6.86E-01
Hexachloro-1,3-butadiene	1.22E+01	nc	1.37E+02	nc	4.66E+01	nc		7.30E+00	nc	5.90E-01	1.18E+01
Hexachlorocyclopentadiene	3.66E+02	nc	4.10E+03	nc	4.31E+02	nc		2.19E+02	nc	6.58E+01	1.32E+03
Hexachloroethane	6.11E+01	nc	6.84E+02	nc	2.33E+02	nc		3.65E+01	nc	1.04E-01	2.09E+00
n-Hexane	3.80E+01	sat	3.80E+01	sat	3.80E+01	sat	x	4.16E+02	nc	8.78E-01	1.76E+01
HMX	3.06E+03	nc	3.42E+04	nc	1.17E+04	nc		1.83E+03	nc	5.39E+00	1.08E+02
Hydrogen cyanide	7.05E+00	nc	2.57E+01	nc	2.30E+01	nc	x	6.20E+00	nc	1.24E-03	2.47E-02
Indeno(1,2,3-c,d)pyrene	6.21E+00	ca	2.34E+01	ca	2.12E+02	ca		9.09E-01	ca	4.73E+00	9.46E+01
Iron	2.35E+04	nc	1.00E+05	max	9.29E+04	nc		1.10E+04	nc	2.77E+02	5.54E+03
Isobutanol	8.44E+03	nc	2.26E+04	sat	2.26E+04	sat	x	1.83E+03	nc	4.86E-01	9.72E+00
Isophorone	5.12E+03	ca	2.02E+04	ca	4.66E+04	nc		6.99E+02	ca	1.70E-01	3.40E+00
Lead	4.00E+02	IEUBK	8.00E+02	IEUBK	8.00E+02	IEUBK					
Lead (tetraethyl-)	6.11E-03	nc	6.84E-02	nc	2.38E-02	nc		3.65E-03	nc	6.33E-07	1.27E-05
Maleic hydrazide	9.30E+02	nc	1.61E+03	sat	1.61E+03	sat	x	3.04E+03	nc	8.17E-01	1.63E+01
Manganese	1.02E+04	nc	1.00E+05	max	1.51E+02	nc		5.11E+03	nc	3.34E+02	6.67E+03

Chemical	Residential Soil (mg/kg)	End- point	Industrial/ Occupational Soil (mg/kg)	End- point	Construction Worker Soil (mg/kg)	End- point	VOC	Tap Water (ug/L)	End- point	DAF 1 (mg/kg)	DAF 20 (mg/kg)
Mercury (elemental)	1.00E+05	max	1.00E+05	max	9.27E+02	nc			ca	1.05E-01	2.09E-03
Mercury (methyl)	6.11E+00	nc	6.84E+01	nc	2.38E+01	nc		3.65E+00	nc	8.37E-04	1.67E-02
Methacrylonitrile	1.83E+00	nc	8.08E+00	nc	6.25E+00	nc	x	1.04E+00	nc	1.83E-04	3.65E-03
Methomyl	2.65E+01	nc	9.72E+01	nc	8.68E+01	nc	x	1.52E+02	nc	5.90E-02	1.18E+00
Methyl acetate	1.94E+04	nc	8.64E+04	nc	6.62E+04	nc	x	6.08E+03	nc	1.08E+00	2.15E+01
Methyl acrylate	2.91E+01	nc	1.06E+02	nc	9.51E+01	nc	x	1.83E+02	nc	4.76E-01	9.52E+00
Methyl isobutyl ketone	4.36E+03	nc	7.01E+03	sat	7.01E+03	sat	x	1.99E+03	nc	7.35E-01	1.47E+01
Methyl methacrylate	1.52E+03	nc	2.92E+03	sat	2.92E+03	sat	x	1.42E+03	nc	2.76E-01	5.52E+00
Methyl styrene (alpha)	2.17E+02	sat	2.17E+02	sat	2.17E+02	sat	x	4.26E+02	nc	3.09E-01	6.17E+00
Methyl styrene (mixture)	5.30E+01	nc	2.10E+02	nc	1.77E+02	nc	x	5.48E+01	nc	3.97E-02	7.93E-01
Methylcyclohexane	7.89E+01	sat	7.89E+01	sat	7.89E+01	sat	x	5.23E+03	nc	2.95E+01	5.89E+02
Methylene bromide	4.22E+01	nc	1.60E+02	nc	1.39E+02	nc	x	6.08E+01	nc	1.31E-02	2.62E-01
Methylene chloride	6.47E+01	ca	1.61E+02	ca	2.63E+03	sat	x	4.22E+01	ca	8.53E-03	1.71E-01
Molybdenum	3.91E+02	nc	5.68E+03	nc	1.55E+03	nc		1.83E+02	nc	3.70E+00	7.41E+01
Naphthalene	2.52E+01	nc	9.25E+01	nc	8.25E+01	nc	x	6.20E+00	nc	1.97E-02	3.94E-01
Nickel	1.56E+03	nc	2.25E+04	nc	5.61E+02	nc		7.30E+02	nc	4.77E+01	9.53E+02
Nitrate	1.00E+05	max	1.00E+05	max	1.00E+05	max		5.84E+04	nc	1.71E+01	3.43E+02
Nitrite	7.82E+03	nc	1.00E+05	max	3.10E+04	nc		3.65E+03	nc	7.63E-01	1.53E+01
Nitrobenzene	1.29E+01	nc	6.24E+01	nc	4.48E+01	nc	x	3.40E+00	nc	9.18E-04	1.84E-02
Nitroglycerin	3.47E+02	ca	1.37E+03	ca	1.17E+04	ca		4.74E+01	ca	2.81E-02	5.63E-01
N-Nitrosodiethylamine	3.24E-02	ca	1.28E-01	ca	1.09E+00	ca		4.42E-03	ca	8.73E-06	1.75E-04
N-Nitrosodimethylamine	9.54E-02	ca	3.76E-01	ca	1.86E+00	nc		1.30E-02	ca	1.22E-05	2.44E-04
N-Nitrosodi-n-butylamine	1.99E-01	ca	5.23E-01	ca	9.53E+00	ca	x	1.99E-02	ca	5.27E-05	1.05E-03
N-Nitrosodiphenylamine	7.40E+01	sat	7.40E+01	sat	7.40E+01	sat		1.35E+02	ca	2.86E-01	5.71E+00
N-Nitrosopyrrolidine	2.32E+00	ca	9.12E+00	ca	7.77E+01	ca		3.16E-01	ca	1.30E-04	2.60E-03
m-Nitrotoluene	4.73E+02	nc	5.69E+02	sat	5.69E+02	sat	x	1.22E+02	nc	3.30E-02	6.59E-01
o-Nitrotoluene	5.11E+00	ca	1.35E+01	ca	2.48E+02	ca	x	4.81E-01	ca	1.30E-04	2.61E-03
p-Nitrotoluene	6.91E+01	ca	1.83E+02	ca	5.69E+02	sat	x	6.51E+00	ca	1.76E-03	3.53E-02
Pentachlorobenzene	4.89E+01	nc	5.47E+02	nc	1.86E+02	nc		2.92E+01	nc	9.38E-02	1.88E+00
Pentachlorophenol	2.98E+01	ca	1.00E+02	ca	1.02E+03	ca		5.53E+00	ca	5.87E-03	1.17E-01
Phenanthrene	1.83E+03	nc	2.05E+04	nc	6.99E+03	nc		1.10E+03	nc	2.32E+01	4.64E+02
Phenol	1.83E+04	nc	1.00E+05	max	6.99E+04	nc		1.10E+04	nc	2.37E+00	4.74E+01

Chemical	Residential Soil (mg/kg)	End- point	Industrial/ Occupational Soil (mg/kg)	End- point	Construction Worker Soil (mg/kg)	End- point	VOC	Tap Water (ug/L)	End- point	DAF 1 (mg/kg)	DAF 20 (mg/kg)
Polychlorinatedbiphenyls											
Aroclor 1016	3.93E+00	nc	4.13E+01	nc	1.50E+01	nc		2.56E+00	nc	1.73E-01	3.45E+00
Aroclor 1221	1.12E+00	nc	8.26E+00	ca	4.28E+00	nc		3.32E-01	ca	2.24E-02	4.47E-01
Aroclor 1232	1.12E+00	nc	8.26E+00	ca	4.28E+00	nc		3.32E-01	ca	2.24E-02	4.47E-01
Aroclor 1242	1.12E+00	nc	8.26E+00	ca	4.28E+00	nc		3.32E-01	ca	2.24E-02	4.47E-01
Aroclor 1248	1.12E+00	nc	8.26E+00	ca	4.28E+00	nc		3.32E-01	ca	2.64E-01	5.28E+00
Aroclor 1254	1.12E+00	nc	8.26E+00	ca	4.28E+00	nc		3.32E-01	ca	2.64E-01	5.28E+00
Aroclor 1260	1.12E+00	nc	8.26E+00	ca	4.28E+00	nc		3.32E-01	ca	2.64E-01	5.28E+00
n-Propylbenzene	6.21E+01	sat	6.21E+01	sat	6.21E+01	sat	x	2.43E+02	nc	1.08E+00	2.16E+01
Propylene oxide	1.63E+01	ca	5.71E+01	ca	3.16E+02	nc	x	2.18E+00	ca	4.60E-04	9.20E-03
Pyrene	2.13E+01	sat	2.13E+01	sat	2.13E+01	sat	x	1.83E+02	nc	2.88E+01	5.76E+02
RDX	4.42E+01	ca	1.74E+02	ca	6.99E+02	nc		6.03E+00	ca	1.68E-03	3.36E-02
Selenium	3.91E+02	nc	5.68E+03	nc	1.55E+03	nc		1.83E+02	nc	9.53E-01	1.91E+01
Silver	3.91E+02	nc	5.68E+03	nc	1.55E+03	nc		1.83E+02	nc	1.57E+00	3.14E+01
Strontium	4.69E+04	nc	1.00E+05	max	1.00E+05	max		2.19E+04	nc	7.73E+02	1.55E+04
Styrene	4.21E+02	sat	4.21E+02	sat	4.21E+02	sat	x	1.62E+03	nc	2.20E+00	4.40E+01
1,2,4,5-Tetrachlorobenzene	1.83E+01	nc	2.05E+02	nc	6.99E+01	nc		1.10E+01	nc	2.14E-02	4.29E-01
1,1,1,2-Tetrachloroethane	1.56E+01	ca	3.86E+01	ca	8.09E+02	ca	x	4.27E+00	ca	1.34E-03	2.68E-02
1,1,2,2-Tetrachloroethane	2.00E+00	ca	4.94E+00	ca	1.04E+02	ca	x	5.46E-01	ca	1.72E-04	3.44E-03
Tetrachloroethene	3.52E+00	ca	8.56E+00	ca	9.93E+01	sat	x	4.32E+00	ca	2.15E-03	4.29E-02
Thallium	5.16E+00	nc	7.49E+01	nc	2.04E+01	nc		2.41E+00	nc	1.72E-01	3.43E+00
Toluene	2.52E+02	sat	2.52E+02	sat	2.52E+02	sat	x	7.23E+02	nc	3.47E-01	6.93E+00
Toxaphene	4.42E+00	ca	1.74E+01	ca	1.48E+02	ca		6.03E-01	ca	2.33E-01	4.65E+00
Tribromomethane	4.11E+02	ca	1.34E+03	ca	2.75E+03	nc		2.44E+01	ca	1.73E-01	3.47E+00
1,1,2-Trichloro-1,2,2-trifluoroethane	3.28E+03	sat	3.28E+03	sat	3.28E+03	sat	x	5.92E+04	nc	1.76E+02	3.53E+03
1,2,4-Trichlorobenzene	2.25E+01	nc	8.34E+01	nc	7.38E+01	nc	x	7.16E+00	nc	2.04E-02	4.08E-01
1,1,1-Trichloroethane	5.63E+02	sat	5.63E+02	sat	5.63E+02	sat	x	3.17E+03	nc	1.34E+00	2.68E+01
1,1,2-Trichloroethane	3.90E+00	ca	9.52E+00	ca	6.60E+01	nc	x	1.97E+00	ca	4.98E-04	9.96E-03
Trichloroethylene	2.26E-01	ca	5.45E-01	ca	1.21E+01	ca	x	2.77E-01	ca	1.31E-04	2.62E-03
Trichlorofluoromethane	1.82E+02	nc	6.65E+02	nc	5.96E+02	nc	x	1.29E+03	nc	1.15E+00	2.30E+01
2,4,5-Trichlorophenol	6.11E+03	nc	6.84E+04	nc	2.33E+04	nc		3.65E+03	nc	7.13E+00	1.43E+02
2,4,6-Trichlorophenol	6.11E+00	nc	6.84E+01	nc	2.33E+01	nc		3.65E+00	nc	7.13E-03	1.43E-01

Appendix C

Excerpt from Wayne Price Exhibit
DAF as a function of landfarm area

The table below is an excerpt from the study.

values are based on empirical data reflecting a national sample distribution of depth of residential drinking water wells). The location of the intake point allows for mixing within the aquifer. EPA believes that this is a reasonable assumption because there will always be some dilution attributed to the pumping of water for residential use from an aquifer. The horizontal placement of the well was assumed to vary uniformly along the center of the downgradient edge of the source within a width of one-half of the width of the source. Degradation and retardation of contaminants were not considered in this analysis. Figure 3 is a schematic showing aspects of the subsurface SSL conceptual model used in the EPACMTP modeling effort. Appendix E is the background document prepared by EPA/OSW for this modeling effort.

EPACMTP Model Results. The results of the EPACMTP analyses indicate a DAF of about 170 for a 0.5-acre source at the 90th percentile protection level (Table 5). If a 95th percentile protection level is used, a DAF of 7 is protective for a 0.5-acre source.

Table 5. Variation of DAF with Size of Source Area for SSL EPACMTP Modeling Effort

Area (acres)	DAF		
	85th	90th	95th
0.02	1.42E+07	2.09E+05	946
0.04	9.19E+06	2.83E+04	211
0.11	5.54E+04	2.74E+03	44
0.23	1.16E+04	644	15
0.50	2.50E+03	170	7.0
0.69	1.43E+03	120	4.5
1.1	668	60	3.1
1.6	417	38	2.5
1.8	350	33	2.3
3.4	159	18	1.7
4.6	115	13	1.6
11.5	41	5.5	1.2
23	21	3.5	1.2
30	16	3.0	1.1
46	12	2.4	1.1
69	8.7	2.0	1.1

Dilution Factor Modeling Effort. To gain further information on the national range and distribution of DAF values, EPA also applied the simple SSL water balance dilution model to ground water sites included in two large surveys of hydrogeologic site investigations. These were American Petroleum Institute's (API's) hydrogeologic database (HGDB) and EPA's database of conditions at Superfund sites contaminated with DNAPL.

The HGDB contains the results of a survey sponsored by API and the National Water Well Association (NWWA) to determine the national variability in simple hydrogeologic parameters (Newell et al., 1989). The survey was conducted to validate EPA's use of the EPACML model as a screening tool for the land disposal of hazardous wastes. The survey involved more than 400 ground

Selecting the 90 th percentile which is in mid-range of the table results and a 5 acre source, by extrapolating a DAF of 15 would be appropriate for such a site.

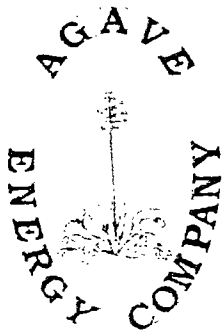
If 250 mg/l is the protractible groundwater standard then the soil screening level would be calculated as follows:

$$Ct = 250 \times DAF \ 15) \times Ow \text{ (water filled porosity)} / Ps \text{ (dry bulk density)}$$

EPA default for $Ow = .3$ and $Ps = 1.5$

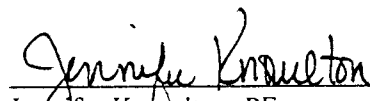


**STORM WATER MANAGEMENT PLAN
DISCHARGE PLAN GW-053
AGAVE DAGGER DRAW GAS PLANT
AGAVE ENERGY COMPANY
EDDY COUNTY, NEW MEXICO**



Prepared by:

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May 12, 2006

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FIGURES

- 1 Site Location Map
- 2 Site Plan

1.0 INTRODUCTION

This Storm Water Management Plan (Plan) has been prepared on behalf of Agave Energy Company (Agave) for the Agave Dagger Draw Gas Plant, located in the SE/4 SE/4 of Section 25, Township 18 South, Range 25 East, Eddy County, New Mexico.

This Plan has been prepared in accordance with the requirements of the New Mexico Oil Conservation Division (OCD) Discharge Plan Renewal GW-053 approval letter dated March 30, 2006. Specifically, this Plan has been prepared to meet the requirements of Part 16 of the Discharge Plan Approval Conditions attached to the March 2006 approval letter and Section 10.C. of the Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations (Guidelines).

The Guidelines require that the Plan contain a discussion of the procedures for containment of precipitation and runoff such that water in contact with process areas does not leave the facility, or is released only after testing for hazardous constituents. The discussion should include information on curbing, drainage, disposition, notification, etc.

2.0 STORM WATER PLAN

This section presents the Plan that will be implemented at the Agave Dagger Draw Gas Plant.

2.1 Facility Description

The Agave Dagger Draw Gas Plant (Facility) consists of a natural gas treatment plant that is designed to treat natural gas prior to distribution to downstream users and a petroleum hydrocarbon remediation landfarm (landfarm). The natural gas is treated to remove liquids including water, oil and hydrogen sulfide (H₂S). Recovered liquids are stored at the Facility briefly at the facility and then moved to the transportation pipeline. Recovered gases are typically injected in a disposal well. Materials that may be stored at the Facility include:

- oily wastewater;
- used lubricating oil;
- lubricating oil;
- engine coolant (antifreeze);
- amine (both process and recovered);
- triethylene glycol;
- oil;
- activated carbon filters;
- molecular sieve material; and
- methanol

2.2 Process Areas and Materials Storage

The Facility can roughly be divided into four areas:

- the Amine Plant,
- the Cryogenic Skids
- the Acid Gas Injection System; and
- the support building.

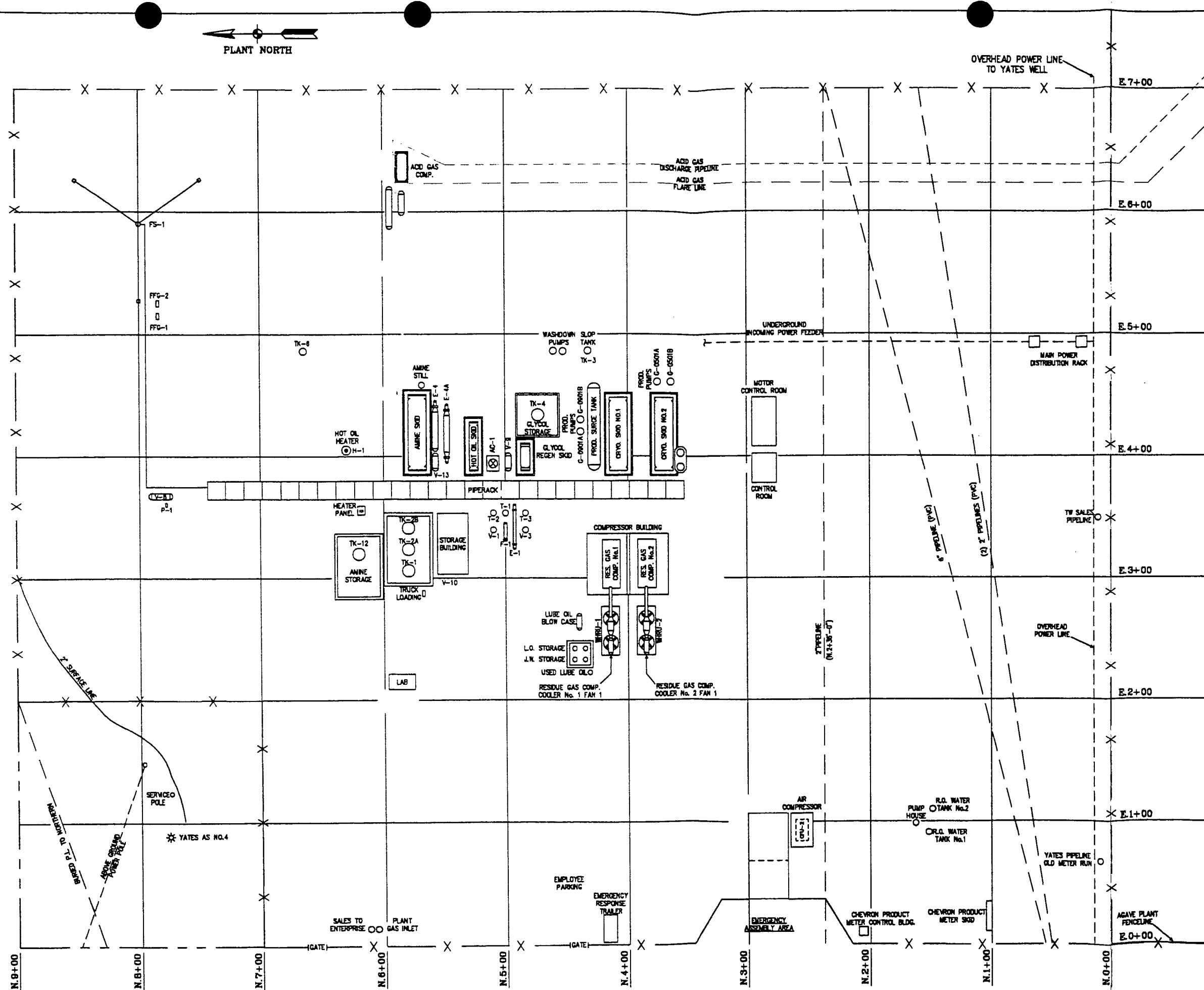
All of the tanks on site are located in a secondary containment structures. The secondary containments are sufficient to meet OCD size requirements. All of the equipment is contained on concrete skids.

2.3 Drainage Paths and Stormwater Containment Areas

Storm water does not leave the Facility boundary and is contained by several mechanisms. Precipitation that reaches the storage vessels is contained within the secondary containment structures. Precipitation that collects on the equipment skids is drained with the sump system. Precipitation that reaches the ground surface across the Facility is contained within an area that is topographically lower than the remainder of the site.

Storm water from all of the Facility drains towards the east center of the Facility. There is no evidence such as drainage channels, culverts, or pipes that indicate surface water is allowed to leave the Facility. The Facility has an active SPCC Plan, spill prevention program and discharge permit.

Based on the current and anticipated operations at the Facility, storm water will continue to be contained within the Facility boundaries. All ongoing construction projects at the Facility will continue to preserve the integrity of the storm water system. Furthermore, the materials storage vessels are located within secondary containment structures that are suitable for containment of the contents of the storage vessels.



AGAVE ENERGY COMPANY 105 South Fourth Street, Austin, New Mexico 88210		SECURITY FENCE	
		AGAVE PLANT FENCELINE	
AGAVE DAGGER DRAW NGL PLANT		PLOT PLAN	
DESIGNED BY: _____ CHECKED BY: _____ APPROVED BY: _____ DATE: _____ SCALE: _____	COUNTY: _____ SIZE: 11x17 SCALE: _____	PRINTED: 11/18 SHEET: 1 OF 1	REV: _____ 1

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

2006 FEB 15 PM 12 54

Dawn Higgins, being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

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_____	2006
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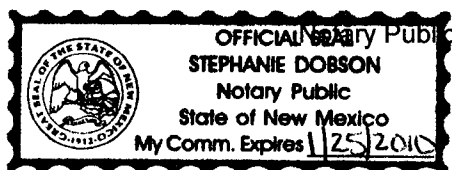
That the cost of publication is \$92.63
and that payment thereof has been made and will be
assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

9 day of February 2006
Stephanie Dobson

My commission Expires on _____



February 9, 2006

NOTICE OF
PUBLICATION
STATE OF NEW
MEXICO
ENERGY, MINERALS
AND NATURAL
RESOURCES
DEPARTMENT OIL
CONSERVATION
DIVISION

Notice is hereby given
that pursuant to New
Mexico Water Quality
Control Commission
Regulations, the follow-
ing discharge permit
application has been
submitted to the Direc-
tor of the Oil Conserva-
tion Division, 2040
South Pacheco, Santa
Fe, New Mexico 87505,
Telephone (505)
827-7131:

(GW-053) Agave En-
ergy Company, Ms.
Jennifer Knowlton,
105 South Fourth
Street, Artesia, New
Mexico, 88210, has
submitted a renewal

application for the
previously approved
discharge permit for
their Agave Plant lo-
cated in the SE/4 of
Section 25, Township
18 South, Range 25
East, NMPM, Eddy
County, New Mexico.
Approximately 1000
gallons per day of
wastewater is stored
in closed top tanks
and is transferred
offsite to an OCD ap-
proved facility.
Groundwater most
likely to be affected
by a spill, leak or ac-
cidental discharge to
the surface is at a
depth of approxi-
mately 120 feet with
a total dissolved
solids concentration
of approximately 850
mg/l. The discharge
permit addresses
how spills, leaks and
other accidental dis-
charges to the sur-
face will be man-
aged.

Any interested person
may obtain further in-
formation from the Oil
Conservation Division
and may submit written
comments to the Direc-
tor of the Oil Conserva-
tion Division at the ad-
dress given above. The
discharge permit appli-
cation may be viewed
at the above address
between 8:00 a.m. and
4:00 p.m., Monday
through Friday. Prior to
ruling on any proposed
discharge permit or its
modification, the Direc-
tor of the Oil Conserva-
tion Division shall allow
at least thirty (30) days
after the date of publi-
cation of this notice
during which comments
may be submitted to
him and a public hear-
ing may be requested
by any interested per-
son. Requests for a
public hearing shall set
forth the reasons why a
hearing should be held.
A hearing will be held if
the Director determines
there is significant pub-
lic interest.

information in the ap-
plication and informa-
tion submitted at the
hearing.

GIVEN under the Seal
of New Mexico Oil
Conservation Commis-
sion at Santa Fe, New
Mexico, on this 6th day
of February 2006.

STATE OF NEW
MEXICO
OIL CONSERVATION
DIVISION

SEAL
MARK E. FESWIRE, PE.,
Director

If no public hearing is
held, the Director will
approve or disapprove
the proposed permit
based on information
available. If a public
hearing is held, the di-
rector will approve or
disapprove the pro-
posed permit based on

NOTICE OF PUBLICATION

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge permit application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(GW-053) Agave Energy Company, Ms. Jennifer Knowlton, 105 South Fourth Street, Artesia, New Mexico, 88210, has submitted a renewal application for the previously approved discharge permit for their Agave Plant located in the SE/4 of Section 25, Township 18 South, Range 25 East, NMPM, Eddy County, New Mexico. Approximately 1000 gallons per day of wastewater is stored in closed top tanks and is transferred offsite to an OCD approved facility. Groundwater most likely to be affected by a spill, leak or accidental discharge to the surface is at a depth of approximately 120 feet with a total dissolved solids concentration of approximately 850 mg/l. The discharge permit addresses how spills, leaks and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge permit application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge permit or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this *6th day of February 2006.*

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

MARK E. FESMIRE, P.E., Director

AGAVE ENERGY COMPANY

105 South Fourth Street

Artesia, New Mexico 88210

(505) 748-4555

Fax (505) 748-4275

Via Certified Mail 7005 2570 0000 8325 6921

January 19, 2006

Ed Martin
New Mexico OCD
1220 South St. Francis Drive
Santa Fe, NM 87505

**Re: Agave Gas Plant
Discharge Permit GW-053 Renewal**

Dear Ed:

As per your December 21, 2005 correspondence to Lisa Norton, included is the renewal application for the above mentioned discharge permit. Agave sincerely apologizes for not submitting this renewal prior to the November 9, 2005 expiration. The Agave Gas Plant was shutdown on November 22, 2005.

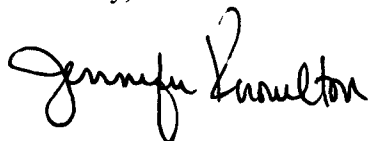
As of May 2005, Agave Energy Company has purchased the neighboring Duke Dagger Draw Gas Plant. These two facilities are neighboring and contiguous, sharing a common fenceline. Agave is in the process of modifying and consolidating the two facilities. This project also includes the installation of an acid gas injection system in lieu of a flare or SRU to dispose of the acid gas stream from the amine system. Agave has refurbished the cryogenic skids, removed two large gas fired compressor engines, and installed a new control system. Agave plans on restarting the modified facility at the beginning of February 2006.

The Duke Dagger Draw Gas Plant was issued discharge permit GW-185. However, to the best of our knowledge, this facility has not operated since August 2003.

Once the facility is fully operational and no additional changes are anticipated to the normal operations of the plant, Agave will submit an application for a modified discharge permit which will incorporate operations at the new Agave Dagger Draw Gas Plant. This modification will merge the current discharge permits from the two facilities. The modification application will also include any necessary closure plans for both facilities.

I look forward to working with you when we submit the modified discharge plan for the Agave Dagger Draw Gas Plant. If you have any questions regarding this application, please do not hesitate to contact me at 505-748-4471.

Sincerely,



Jennifer Knowlton
Environmental Engineer

Cc: OCD District office

(corres 011906.doc)

**OIL CONSERVATION DIVISION
DISCHARGE PLAN GW-053 RENEWAL
AGAVE ENERGY COMPANY
AGAVE GAS PLANT**



January 19, 2006

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

Revised June 10, 2003

Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS,
REFINERIES, COMPRESSOR, GEOTHERMAL FACILITIES
AND CRUDE OIL PUMP STATIONS**

(Refer to the OCD Guidelines for assistance in completing the application)

☐ New ☒ Renewal ☐ Modification

1. Type: Gas Processing Plant

2. Operator: Agave Energy Company

Address: 105 South Fourth Street Artesia NM 88210

Contact Person: Jennifer Knowlton Phone: 505-748-4471

3. Location: SE/4 SE/4 Section 25 Township 18S Range 25E

Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.

5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.

6. Attach a description of all materials stored or used at the facility.

7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.

8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.

9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.

10. Attach a routine inspection and maintenance plan to ensure permit compliance.

11. Attach a contingency plan for reporting and clean-up of spills or releases.

12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.

13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

14. CERTIFICATION: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Jennifer Knowlton

Title: Environmental Engineer

Signature: Jennifer Knowlton

Date: January 19, 2006

E-mail Address: jknowlton@ypcnm.com

1. Type: Gas Processing Plant
2. Operator: Agave Energy Company
Address: 105 South Fourth Street Artesia NM 88210
Contact Person: Jennifer Knowlton
Phone: 505-748-4471
3. Location: SE/4 SE/4
Section 25
Township 18S
Range 25E
4. Landowner: Yates Petroleum Corporation
5. The Agave Gas Plant currently consists of an amine gas treatment system, a process flare that controls the acid gas stream from the amine unit, a glycol dehydration system, and ancillary equipment. The primary function of the plant is to remove H₂S and CO₂ from sour field gas so that the gas can meet pipeline specifications. The plant has been designated a primary Standard Industrial Classification (SIC) Code of 1311. Due to the current modification at the facility, an up-to-date detailed plot plan is not available. Once the modifications are complete, a modified discharge plan permit will be submitted and this information will be updated..
6. Materials Stored or Used at Facility:
See previous submissions.
7. Present Sources of Effluent and Waste Solids:
See previous submissions.
8. Current Liquid and Solid Waste Collection, Treatment and Disposal Procedures:
See previous submissions.
9. Proposed Modifications to existing Collection, Treatment and Disposal Systems:
In May 2005, Agave Energy Company purchased the Duke Dagger Draw Gas Plant. The Agave Gas Plant and the Duke Gas Plant are neighboring facilities which share a common fence line. The facilities are currently in the process of being modified and consolidated. Once the consolidation is complete, a modified discharge permit will be submitted which will cover both facilities.
10. Inspection and Maintenance Plan:
 - a. Company personnel make daily inspections of the site. Malfunctions or breakdowns are noted and repaired.
 - b. Any repair work that is needed is performed as required.
 - c. A regular maintenance program is diligently carried out on all on-site equipment.
11. Plan for reporting and Cleanup of Spills or Releases:
 - a. Standard company policy is to immediately secure the area to insure the safety of personnel and the public.

- b. Employees and contract personnel are dispatched to the spill area with necessary equipment and materials necessary to control and contain the spill and initiate clean-up program.
- c. Notification and any necessary follow-up reports will be made to the appropriate agencies (BLM, OCD, etc) pursuant to regulations.

12. Geologic and Hydrological Information:
See previous submissions

13. Facility Closure Plan:
Agave is in the process of modifying the existing facility. Part of the modification will include the closure of certain parts of the existing facility. As part of the forthcoming modification of the discharge permit, Agave will address any necessary closure plans.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

December 21, 2005

CERTIFIED MAIL

RETURN RECEIPT NO. 7001-1940-0004-7920-7799

Ms. Lisa Norton
Agave Energy Company
105 South Fourth Street
Artesia, NM 88210

RE: GW-053 Discharge Permit
Agave Gas Plant
SE/4 SE/4 Section 25, Township 18 South, Range 25 East

Dear Ms. Norton:

The discharge permit shown above covering the above facility expired on November 9, 2005.

Agave Energy Co. must submit a renewal application to the New Mexico Oil Conservation Division for this permit by January 23, 2006.

If you have any questions, contact me at (505) 476-3492 or ed.martin@state.nm.us

NEW MEXICO OIL CONSERVATION DIVISION

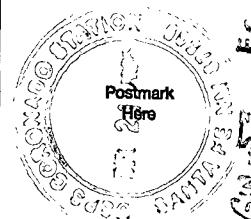
Edwin E. Martin
Environmental Bureau

Copy: Artesia District Office

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage \$ 4.43
Certified Fee
Return Receipt Fee (Endorsement Required)
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$



Sent To
Lisa Norton / Agave
Street, Apt. No.,
or PO Box No. 105 S. 4th St.
City, State, ZIP+4
Artesia, NM 88210

PS Form 3800, January 2001

See Reverse for Instructions

AGAVE ENERGY COMPANY

105 South Fourth Street

Artesia, New Mexico 88210

(505) 748-4555

Fax (505) 748-4576

Ed Martin
New Mexico Environment Department
Oil Conservation Division
2040 Pacheco Street
Santa Fe, NM
87505

February 28, 2001

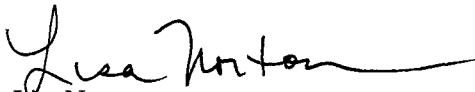
RE: Agave Gas Plant, Discharge Plan GW-053
Storm Water Management Plan
SE/4, SE/4, S25, T18S, R25E

Dear Ed:

Enclosed is the Storm Water Management Plan you requested we complete for renewal of the discharge plan for the Agave Gas Plant.

If you have any questions about this plan, please contact Rusty Nasta at : (505) 748-4555, C: (505) 626-7971, or Greg Jokela at: (505) 748-4525, C: (505) 365-8509. If I can be of any help please feel free to contact me at O: (505) 748-4185

Sincerely,



Lisa Norton
Environmental Coordinator

Encl

Dist: Rusty Nasta, Agave Energy Company
Greg Jokela, Agave Energy Company
File

Eng/DavidH/Agave/AgavePlant/StormwaterMgmtPlan2001

OIL CONSERVATION DIV.
01 MAR -2 PM 2:02

**Storm Water Management Plan
Discharge Plan GW-053
Agave Gas Plant
Agave Energy Company
Eddy County, New Mexico**

Prepared for:
Agave Energy Company
105 South Fourth Street
Artesia, New Mexico 88210

Harding ESE Project No. 52602.1

February 23, 2001



Harding ESE

A MACTEC COMPANY

6400 UPTOWN BOULEVARD NE, SUITE 310 E
ALBUQUERQUE, NEW MEXICO 87110
(505) 248-0017 FAX (505) 248-0021

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2.2 Process Areas and Materials Storage2

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1 Site Location Map

2 Site Plan

1.0 INTRODUCTION

This Storm Water Management Plan (Plan) has been prepared on behalf of Agave Energy Company (Agave) for the Agave Gas Plant, located in the SE/4 SE/4 of Section 25, Township 18 South, Range 25 East, Eddy County, New Mexico.

This Plan has been prepared in accordance with the requirements of the New Mexico Oil Conservation Division (OCD) Discharge Plan Renewal GW-053 approval letter dated November 20, 2000.

Specifically, this Plan has been prepared to meet the requirements of Part 16 of the Discharge Plan Approval Conditions attached to the November 2000 approval letter and Section 10.C. of the Guidelines for the Preparation of Discharge Plans at Natural Gas Plants, Refineries, Compressor and Crude Oil Pump Stations (Guidelines).

The Guidelines require that the Plan contain a discussion of the procedures for containment of precipitation and runoff such that water in contact with process areas does not leave the facility, or is released only after testing for hazardous constituents. The discussion should include information on curbing, drainage, disposition, notification, etc.

2.0 STORM WATER PLAN

This section presents the Plan that will be implemented at the Agave Gas Plant facility.

2.1 Facility Description

The Agave Gas Plant (Facility) consists of a natural gas treatment plant that is designed to treat natural gas prior to distribution to downstream users and a petroleum hydrocarbon remediation landfarm (landfarm). The natural gas is treated to remove liquids including water, oil and hydrogen sulfide (H₂S). Recovered liquids are stored at the Facility and are removed by truck. Recovered gases are typically flared onsite. The landfarm is used to process soil that has been contaminated by oilfield releases of crude oil, condensate and other hydrocarbons associated with the production of oil and gas. The soil is brought to the landfarm by dump truck, placed into the landfarm, and periodically tilled until the hydrocarbons have been remediated by aeration or biological degradation. Materials that may be stored at the Facility include:

- recovered pipeline liquids (condensate);
- oily wastewater;
- used lubricating oil;
- lubricating oil;
- engine coolant (antifreeze);
- amine (both process and recovered);
- triethylene glycol;
- corrosion inhibitor;
- citrus degreaser; and
- hydrocarbon contaminated soil.

2.2 Process Areas and Materials Storage

The Facility can roughly be divided into four areas:

- the Amine Plant, located on the southwest portion of the Facility;
- the Compressor Area, located on the northwest portion of the Facility;

- the hydrocarbon landfarm, located on the east-central portion of the Facility; and
- the support building, currently under construction on the southeast portion of the Facility.

The following tanks are located at the Amine Plant Area:

- 210 barrel (bbl) triethylene glycol above ground storage tank (AST);
- 100 bbl amine AST;
- 1,500 gallon methanol AST in horizontal cradle;
- 100 bbl amine collector tank (upset use only);
- 210 bbl amine plant waste collector AST;
- 324 gallon BTX process recovery collection tank; and
- 500 gallon amine recovery AST located at the 200 foot flare stack.

Each of the storage vessels, except the 324 gallon BTX tank that is part of the amine plant process, are located in concrete secondary containment structures. The 500 gallon amine recovery AST at the flare stack is constructed of polyethylene, the remainder of the ASTs are constructed of steel.

The following tanks are located at the Compressor Area:

- Two 300 bbl condensate recovery ASTs;
- 1,500 gallon lube oil AST;
- 100 bbl Ambitrol antifreeze AST;
- 300 bbl oily wastewater collector AST;
- 300 bbl used lube oil AST;
- 250 gallon soap AST; and
- 250 gallon citrus degreaser AST.

Each of the storage vessels is located in a concrete secondary containment structure. All of the ASTs are constructed of steel.

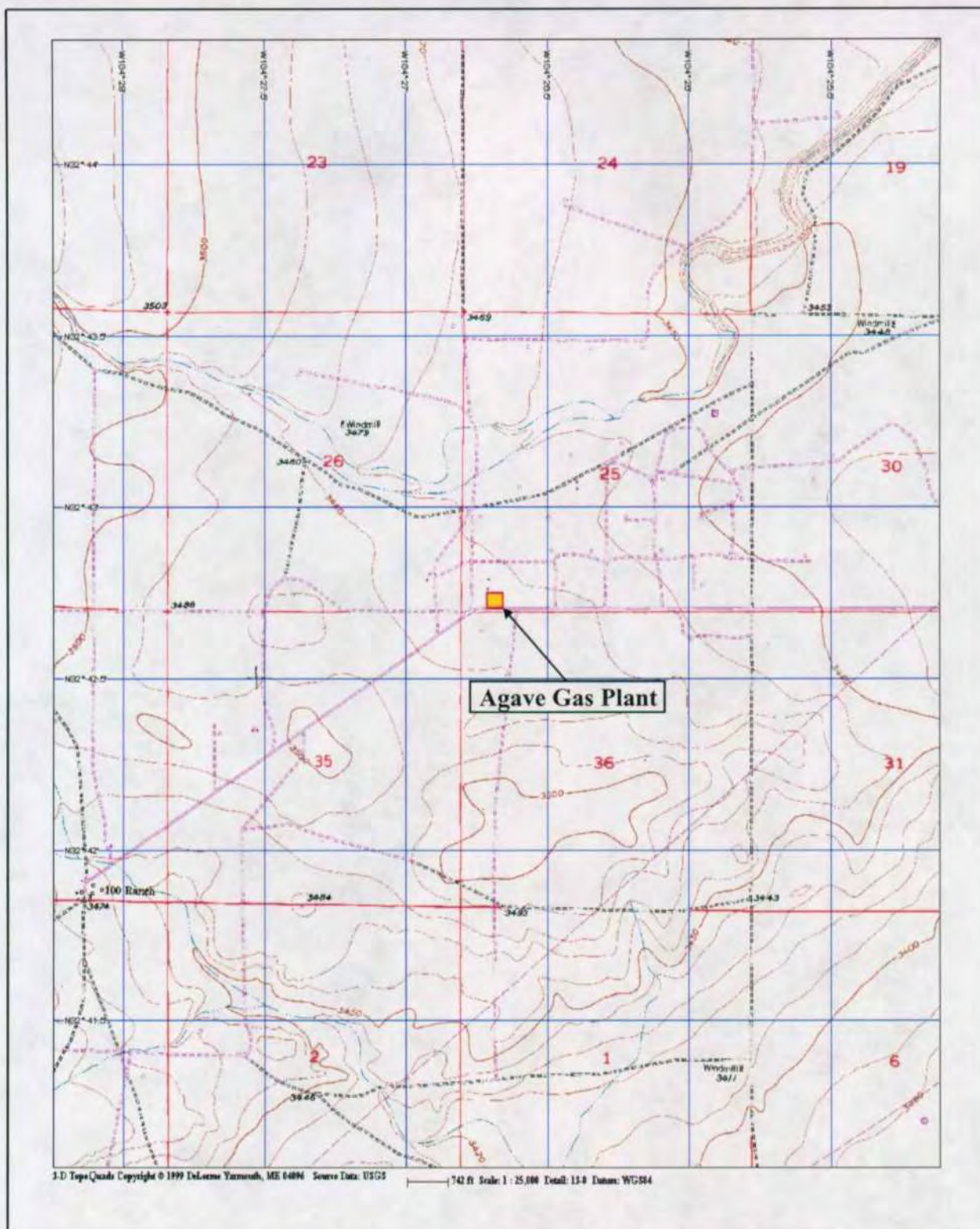
There are no tanks located at the hydrocarbon contaminated soil landfarm or the support building. However, soils containing various quantities of petroleum hydrocarbons are periodically transported to the landfarm for placement, treatment, and remediation. The landfarm is entirely surrounded by a soil berm that prevents runoff from leaving the landfarm. Section 2.3 discusses the containment of precipitation and runoff in each of the Areas of the Facility.

2.3 Drainage Paths and Stormwater Containment Areas

Storm water does not leave the Facility boundary and is contained by several mechanisms. Precipitation that reaches the storage vessels is contained within the concrete secondary containment structures. Precipitation that reaches the ground surface across the Facility is contained within two areas that are topographically lower than the remainder of the site; and precipitation that reaches the landfarm area is contained within the landfarm, on the northern portion of the landfarm. The landfarm ground surface is lower on the northern portion than for the remainder of the landfarm.

Storm water from all but the northwest corner of the Facility drains towards the northeast corner of the Facility, north of the landfarm, where the surface water collects in a shallow depression. Drainage in the northwest corner of the Facility, northwest of the Compressor Area, is towards a shallow depression just east of the two 300-bbl condensate storage tanks. There is no evidence such as drainage channels, culverts, or pipes that indicate surface water is allowed to leave the Facility.

Based on the current and anticipated operations at the Facility, storm water will continue to be contained within the Facility boundaries. Recent construction of both the hydrocarbon soil landfarm and the support building have not altered the locations where storm water collects at the Facility. Furthermore, the hazardous materials storage vessels (non-process tanks) are located within concrete secondary containment structures that are suitable for containment of the contents of the storage vessels.



6400 Uptown Boulevard, Suite 310
Albuquerque, New Mexico 87110

Site Location Map
Agave Energy Company
Agave Gas Plant
Eddy County, New Mexico

**Figure
1**

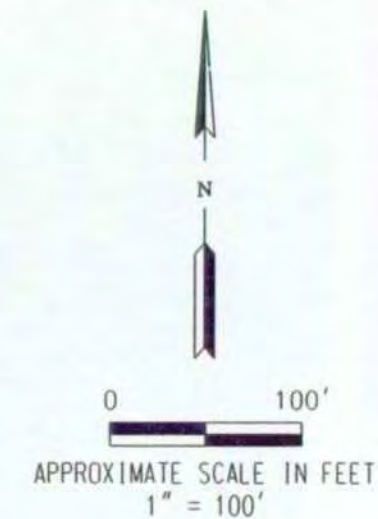
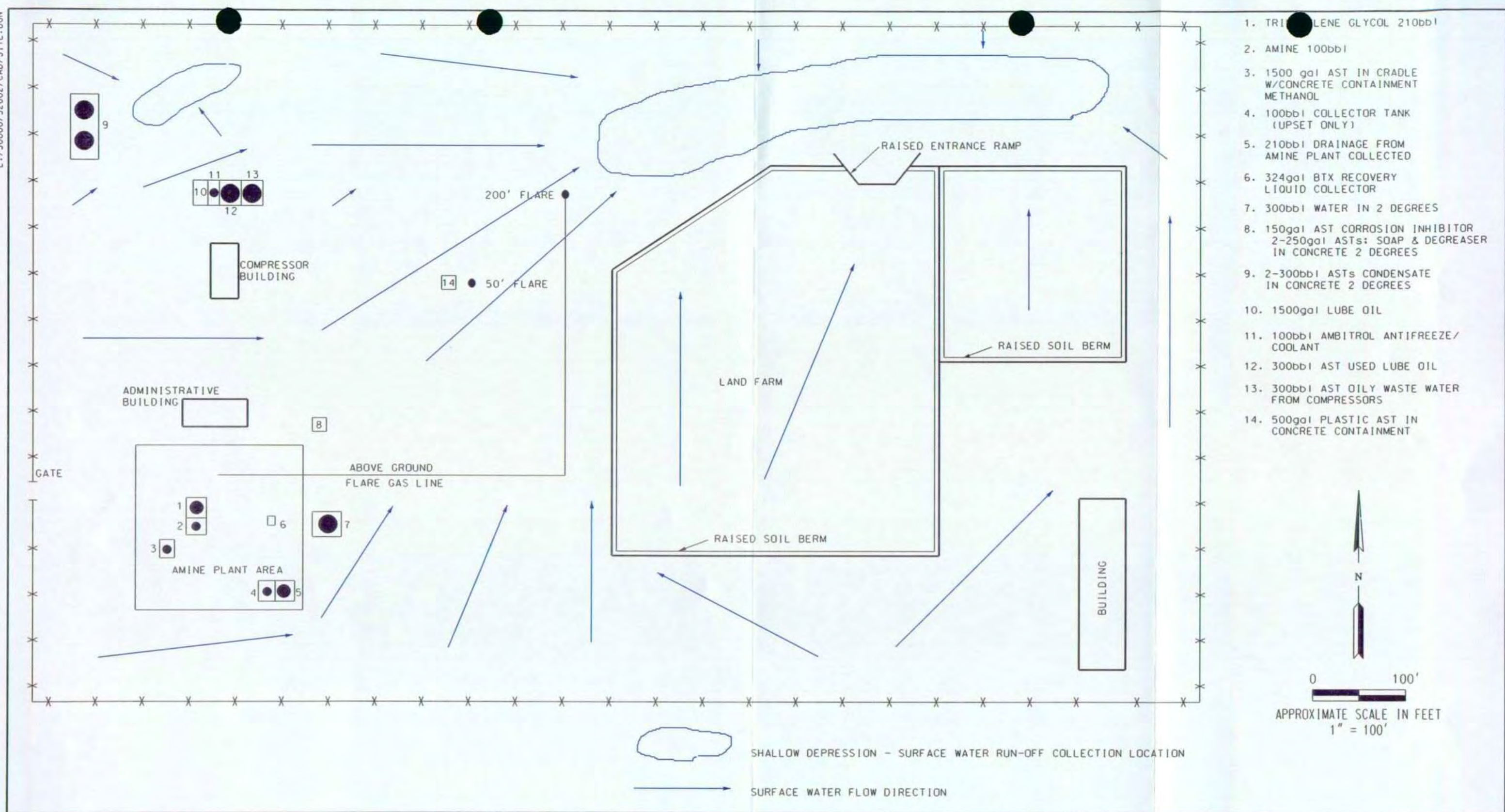
Drawn
AEK

Project Number
52602.1

Approved

Date
02/05/01

Revised Date



6400 Uptown Boulevard
Suite 310E
Albuquerque, New Mexico 87110
Telephone: 505/248-0017
Fax: 505/248-0021
Home Page: www.mactec.com

SITE PLAN
Agave Gas Plant
Agave Energy Company
Eddy County, New Mexico

FIGURE

2

DRAWN
FSM

JOB NUMBER
52602.1

APPROVED
JDM

DATE
02-07-01

REVISED DATE
02-20-01