

AP - 022

**GENERAL
CORRESPONDENCE**

YEAR(S):
2005-2000

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



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

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

August 19, 2005

RECEIVED

Mr. Glenn von Gonten, Senior Hydrologist
Environmental Bureau
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

AUG 22 2005

Oil Conservation Division
Environmental Bureau

RE: Stage 1 Abatement Plan Proposals
Williams Pit Site (AP-22)
Lattion Pit Site (AP-23)
Inex Pit Site (AP-24)
Scripps Pit Site (AP-25)

Dear Mr. von Gonten:

Enclosed please find the amended Stage 1 Abatement Plan Proposals for the above sites. The New Mexico Oil Conservation Division (NMOCD) has required submittal of abatement plans for the subject sites. An amended Stage 1 Abatement Plan Proposal was submitted on February 15, 2005. The OCD disapproved the workplans in letters dated July 18, 2005.

The amended workplans submitted with this letter address OCD's concerns detailed in the July letter including the need for additional soil borings to characterize subsurface conditions within the pit and additional groundwater monitoring wells to determine quality of groundwater downgradient from the pits.

If you have any questions on the submittals, please contact me at 505-748-4181.

Sincerely,

Dan Dolan, CWC
Environmental Regulatory Agent

Encl.

cc. Tim Gum, OCD Artesia District Office



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

July 18, 2005

CERTIFIED MAIL

RETURN RECEIPT NO: 7923 4535

Mr. Dan Dolan
Yates Petroleum Corporation
105 South Fourth St.
Artesia, New Mexico 88210

**RE: YATES PETROLEUM COMPANY
AMENDED STAGE 1 ABATEMENT PLAN PROPOSAL AND WORK PLAN
WILLIAMS PIT SITE (AP-22)**

Dear Mr. Dolan:

The New Mexico Oil Conservation Division (OCD) has reviewed the Yates Petroleum Corporation's (Yates) AMENDED STAGE 1 ABATEMENT PLAN PROPOSAL AND WORK PLAN - WILLIAMS PIT SITE (AP-22) submitted on February 15, 2005, in response to OCD's letter of October 6, 2004. OCD required Yates to submit this workplan because it had not completely defined the extent of the ground water contamination at the Williams pit site. Yates requested and received a 45 day extension to the required due date of December 31, 2004.

As discussed below in detail, OCD has noted several problems with this proposed workplan that must be addressed before the workplan can be approved.

1) In its proposed Action Plan, Yates states that *"Based on evaluation of the existing information, the conditions at this site appear to be related to natural mineralization of the soil and groundwater rather than contamination by the pit."* After reviewing all of the information in the Williams pit site file, OCD strongly disagrees with Yates' assertion that the contamination detected at the site was not released from the former unlined and grossly contaminated pit during its operational life. Yates has not provided any compelling arguments to support its "natural mineralization" interpretation in its proposal nor in any of its previous submittals. Review of the

local geology and hydrogeology at the Williams pit site, using maps and cross sections constructed using the data submitted by Yates, clearly demonstrates that a release from the Williams pit has contaminated ground water with chlorides at concentrations that exceed the WQCC ground water protection standards (20.6.2.3103 NMAC) and that residual chlorides contaminate the vadose zone beneath the pit.

2) Yates' Amended Stage 1 Abatement Plan includes a proposal to conduct several routine action items, such as resurveying the monitor well elevations, the installation of an additional upgradient monitor well, measuring water levels and ground water quality, and submitting a site investigation report. Taking these actions will not enable Yates to meet the general performance standard for conducting a Stage 1 Abatement Plan specified in OCD Rule 19.E.3. The proposed Stage 1 workplan will not allow Yates to define the vertical and horizontal extent and magnitude of vadose zone and ground water contamination and to determine the rate and direction of contaminant migration. Yates may voluntarily pursue an alternate source demonstration for the known contamination, but regardless of what Yates chooses to do about a possible alternate source demonstration, it must submit a revised Stage 1 workplan to OCD in which it proposes additional investigation that will enable it to completely characterize the release at the Williams pit site and to provide the data necessary to select and design an effective abatement option that it must propose in a Stage 2 Abatement Plan.

3) OCD requires Yates to submit a revised Stage 1 Abatement Plan for its Williams pit site in accordance with OCD's 1993 remediation guidelines by August 19, 2005, with a copy provided to OCD's Artesia District Office. The proposed workplan should be based on the interpretation of site specific data supported by an appropriate number of isoconcentration maps and cross sections that depict the contamination that has been released from the former pit.

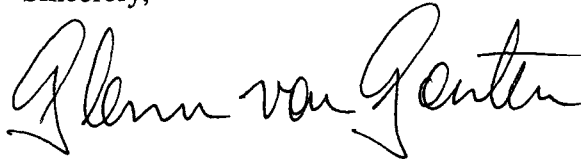
The workplan must be revised to propose a sufficient number of additional soil borings beneath and adjacent to the former pit that will enable Yates to completely characterize the release from the Williams pit. The workplan must also propose a sufficient number of additional downgradient monitor wells that will enable Yates to characterize the ground water contamination beneath and downgradient from its pit and for use in a ground water monitoring program. The workplan must also propose additional contingent soil borings and monitor wells if the next phase of the Stage 1 investigation fails to completely delineate the release. The workplan must also specify that Yates will analyze for all of the constituents specified by OCD in its February 1, 2002 conditional approval letter. OCD notes that Yates has not analyzed samples for the New Mexico Water Quality Control Commission (WQCC) metals as required.

4) The workplan must also address the requirement for Yates to provide the data necessary to select and design an effective abatement option, which it must propose in a separate Stage 2 Abatement Plan to be submitted after the Stage 1 investigation has been concluded. Of course, Yates may propose appropriate remedial actions to be taken concurrently with the Stage 1 investigation.

5) Finally, please note that OCD will not approve Yates' proposal to plug and abandon monitor well MW-4. This well is the single most useful data point that Yates has at this site and the proposal to abandon this well appears to be completely without merit.

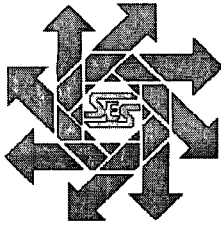
If you have any questions, please contact me at (505) 476-3488.

Sincerely,

A handwritten signature in cursive script that reads "Glenn von Gonten". The signature is written in dark ink and is positioned above the printed name and title.

Glenn von Gonten
Senior Hydrologist

xc: Tim Gum, OCD Artesia District Office



P.O. Box 1613
703 E. Clinton Suite 102
Hobbs, New Mexico 88240
505/397-0510
Fax 505/393-4388
www.sesi-nm.com

Safety & Environmental Solutions, Inc.

December 17, 2004

Mr. Ed Martin
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Dear Ed:

As per our conversation today this letter is to request 45-day extension on submittal of the work plan for the Yates Petroleum Corporation former Williams Pit Site (AP-22). The letter dated October 6, 2004 required submittal of the work plan by December 31, 2004. The Williams Pit Site is located in the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 25, Township 18 south, Range 26 East, Eddy County, New Mexico.

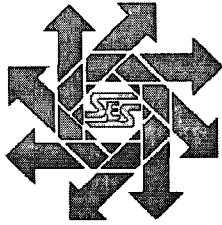
Thank you for your consideration in this matter.

Sincerely,

Bob Allen ASP, CHMM, REM, CET, CES
President

BA/jra

Approved
[Signature]



P.O. Box 1613
703 E. Clinton Suite 102
Hobbs, New Mexico 88240
505/397-0510
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www.sesi-nm.com

Safety & Environmental Solutions, Inc.

December 17, 2004

Mr. Ed Martin
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Dear Ed:

As per our conversation today this letter is to request 45-day extension on submittal of the work plan for the Yates Petroleum Corporation former Lattion Pit Site (AP-22). The letter dated October 6, 2004 required submittal of the work plan by December 31, 2004. The Lattion Pit Site is located in the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 23, Township 18 South, Range 26 East, Eddy County, New Mexico.

Thank you for your consideration in this matter.

Sincerely,

Bob Allen ASP, CHMM, REM, CET, CES
President

BA/jra

Approved
[Signature]



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

October 6, 2004

Mr. Dan Dolan
Yates Petroleum Corporation
105 South Fourth St.
Artesia, New Mexico 88210

**RE: STAGE 1 ABATEMENT PLAN PROPOSALS
WILLIAMS PIT SITE (AP-22)
LATTION PIT SITE (AP-23)
INEX PIT SITE (AP-24)
SCRIPP PIT SITE (AP-25)**

Dear Mr. Dolan:

The New Mexico Oil Conservation Division (OCD) has reviewed the Yates Petroleum Corporation's (Yates) February 19, 2004 correspondence and the following accompanying documents:

- June 2003 "PRELIMINARY SITE INVESTIGATION REPORT, FORMER WILLIAMS PIT LOCATION, NE ¼ OF THE NW ¼ OF SECTION 25, TOWNSHIP 18 SOUTH, RANGE 26 EAST, EDDY COUNTY, NEW MEXICO".
- June 2003 "PRELIMINARY SITE INVESTIGATION REPORT, FORMER LATTION PIT LOCATION, NE ¼ OF THE SW ¼ OF SECTION 23, TOWNSHIP 18 SOUTH, RANGE 26 EAST, EDDY COUNTY, NEW MEXICO".
- June 2003 "PRELIMINARY SITE INVESTIGATION REPORT, FORMER INEX PIT LOCATION, SE ¼ OF THE NW ¼ OF SECTION 26, TOWNSHIP 18 SOUTH, RANGE 26 EAST, EDDY COUNTY, NEW MEXICO".
- June 2003 "PRELIMINARY SITE INVESTIGATION REPORT, FORMER SCRIPPS PIT LOCATION, NW ¼ OF THE SW ¼ OF SECTION 25, TOWNSHIP 18 SOUTH, RANGE 26 EAST, EDDY COUNTY, NEW MEXICO".

These documents contain the results of Yates' Stage 1 investigation of the extent of contamination related to former unlined pits at Yates' Williams Pit Site located in Unit C, Section 25, Township 18 South, Range 26 East, Eddy County, New Mexico; the Lattion Pit Site located in Unit K, Section 23, Township 18 South, Range 26 East, Eddy County, New Mexico; the Inex Pit Site located in Unit F, Section 26, Township 18 South, Range 26 East, Eddy County and; the Scripp Pit Site located in Unit L, Section 25, Township 18 South, Range 26 East, Eddy County, New Mexico.

A review of the above-referenced reports shows that the extent of ground water contamination at each site has not been completely determined. The OCD requires that Yates submit a work plan to the OCD to complete the definition of the extent of ground water contamination at each site. The work plan shall be submitted to the OCD Santa Fe Office by December 31, 2004 with a copy provided to the OCD Artesia District Office.

If you have any questions, please contact me at (505) 476-3491.

Sincerely,

A handwritten signature in black ink, appearing to read 'William C. Olson', written in a cursive style.

William C. Olson
Hydrologist
Environmental Bureau

cc: Tim Gum, OCD Artesia District Office
B.R. Wilson



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

August 5, 2002

Ms. Lisa Norton
Yates Petroleum Corporation
105 South Fourth St.
Artesia, New Mexico 88210

**RE: ABATEMENT PLAN AP-22, WILLIAMS PIT SITE
ABATEMENT PLAN AP-23, LATTION PIT SITE
ABATEMENT PLAN AP-24, INEX PIT SITE
ABATEMENT PLAN AP-25, SCRIPP PIT SITE**

Dear Ms. Norton:

The New Mexico Oil Conservation Division (OCD) has reviewed Yates Petroleum Corporation's (Yates) July 31, 2002 correspondence titled "ABATEMENT PLANS AP-22 WILLIAMS PIT SITE, ABATEMENT PLANS AP-23 LATTION PIT SITE, ABATEMENT PLANS AP-24 INEX PIT SITE,, ABATEMENT PLANS AP-25 SCRIPP PIT SITE". This document contains Yates' request for an extension of the deadline for submission of Stage 1 investigation reports for the abatement plans on the above listed sites due to the closing of their consultants office.

The above-referenced request to extend the Stage 1 investigation report submission deadline from August 1, 2002 to September 1, 2002 is approved.

If you have any questions, please contact me at (505) 476-3491.

Sincerely,

William C. Olson
Hydrologist
Environmental Bureau

xc: Tim Gum, OCD Artesia District Office
B.R. Wilson



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

June 28, 2002

Ms. Lisa Norton
Yates Petroleum Corporation
105 South Fourth St.
Artesia, New Mexico 88210

**RE: ABATEMENT PLAN AP-22, WILLIAMS PIT SITE
ABATEMENT PLAN AP-23, LATTION PIT SITE
ABATEMENT PLAN AP-24, INEX PIT SITE
ABATEMENT PLAN AP-25, SCRIPP PIT SITE**

Dear Ms. Norton:

The New Mexico Oil Conservation Division (OCD) has reviewed Yates Petroleum Corporation's (Yates) February 21, 2002 correspondence titled "REQUEST FOR EXTENSION OF STAGE 1 INVESTIGATION REPORTS, ABATEMENT PLAN AP-25 SCRIPP PIT SITE, ABATEMENT PLAN AP-24 INEX PIT SITE, ABATEMENT PLAN AP-23 LATTION PIT SITE, ABATEMENT PLAN AP-22 WILLIAMS PIT SITE". This document contains Yates' request for an extension of the deadline for submission of Stage 1 investigation reports for the abatement plans on the above listed sites from April 1, 2002 to August 1, 2002.

The above-referenced request is approved.

If you have any questions, please contact me at (505) 476-3491.

Sincerely,

William C. Olson
Hydrologist
Environmental Bureau

xc: Tim Gum, OCD Artesia District Office
Jeffrey D. Minchak, Harding ESE, Inc.
B.R. Wilson

William Olson
New Mexico
Oil Cons, Dept.

02-19-04

RECEIVED

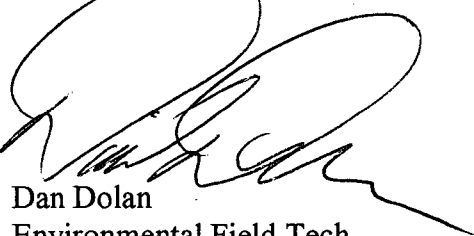
FEB 25 2004

OIL CONSERVATION
DIVISION

Bill:

These are the reports that we talked about at the start of this week. Please look them over and give me your opinion and advice on how to attack the problem, this has been going on for a long time, and seeing as this was just given to me, I would like to get them closed as soon as possible, and do it right so we can smile and be proud of it.

Thanks for your help.

A large, stylized handwritten signature in black ink, appearing to read 'Dan Dolan', is written over the typed name and title.

Dan Dolan
Environmental Field Tech.
Yates Petroleum Corp.

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



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

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

RECEIVED

AUG 02 2002

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

Mr. William C. Olson
New Mexico Energy, Minerals and
Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

July 31, 2002

RE: Abatement Plans AP-22 Williams Pit Site
Abatement Plans AP-23 Lattion Pit Site
Abatement Plans AP-24 Inex Pit Site
Abatement Plans AP-25 Scripp Pit Site

Dear Mr. Olson,

Yates is in the process of preparing Stage I investigation reports for abatement plans for the above sites. These reports were due to be submitted to the Division on August 1, 2002.

Mr. Jeffrey Minchak with Harding ESE, Inc. had been retained to prepare the reports. Harding ESE, Inc. is now in the process of closing their Albuquerque office and is unable to complete the project. Yates is now in the process of contracting with another firm to complete the project and requests an extension until September 1, 2002.

We apologize for the delay and hope that you will recognize our situation and allow the extension. If you have any questions, please contact me at 505-748-4185 or via email at lnorton@ypcnm.com.

Sincerely,

Lisa Norton
Environmental
Coordinator

cc: Tim Gum, OCD Artesia District Office
Ron Beasley
file

nm\facilities\h&s\7-31-02corres.doc



Harding ESE
A MACTEC COMPANY

Harding ESE, Inc.
6400 Uptown Boulevard NE
Suite 310E
Albuquerque, NM 87110
Telephone: 505/248-0017
Fax: 505/248-0021
Home Page: www.mactec.com

OIL CONSERVATION DIV.

02 FEB 22 PM 4:22

February 21, 2002

53470.1

Mr. Roger Anderson
Environmental Bureau Chief
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Request for Extension of Stage 1 Investigation Reports
Abatement Plan AP-25 Scripp Pit Site
Abatement Plan AP-24 Inex Pit Site
Abatement Plan AP-23 Lattion Pit Site
Abatement Plan AP-22 Williams Pit Site

Dear Mr. Anderson:

At the request of Yates Petroleum Corporation (Yates), Harding ESE is requesting an extension of time for the submittal of the Stage I Investigation Reports for the four above-referenced sites. Yates is requesting a 120-day extension of the due date for the submittal of the four Stage I Investigation Reports from April 1, 2002 to August 1, 2002. Yates has budgeted the Stage I work for initiation during the second quarter of calendar year 2002. Scheduling the work within this time frame allows Yates to more effectively monitor their non-recurring environmental expenses during this period of depressed oil and natural gas prices.

In 1997, Yates purchased production facilities, including the above referenced sites, from H&S Oil Company (H&S). H&S was a small, privately operated oil and gas producer that did not maintain an effective environmental management or compliance program. Since purchasing the facilities, Yates has made a considerable investment of both time and financial resources which has resulted in significant improvements to the environmental conditions of the Sites. The primary result of the improvements made to-date by Yates is the removal of the hydrocarbon source areas by properly closing the former unlined waste disposal pits, as presented in the Stage I Abatement Plan Proposals for each of the four sites. Once investigation activities are underway, the scope of work from each of the Stage I Abatement Plan Proposals will be

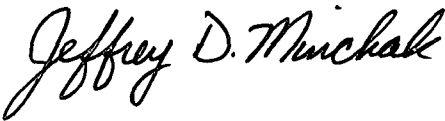
Mr. Roger Anderson
Environmental Bureau Chief
Oil Conservation Division
February 21, 2002

Page 2 of 2

implemented. Additionally, the four conditions set forth in the Oil Conservation Division (OCD) letter dated February 1, 2002 will be met.

Please direct any questions or comments regarding this request or the Stage I Investigation Reports to me at (505) 248-0017 or to Ms. Lisa Norton, Yates Environmental Coordinator, at (505) 748-4185.

Sincerely,
HARDING ESE, Inc.



Jeffrey D. Minchak, P.G.
Senior Project Geologist

cc: Mr. Tim Gumm
OCD District 2 Office
1301 W. Grand Avenue
Artesia, NM 88210

Lisa Norton, Yates Petroleum Corporation



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Carol Leach

Acting Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

February 1, 2002

CERTIFIED MAIL

RETURN RECEIPT NO: 7001-1940-0004-3929-7105

Ms. Lisa Norton
Yates Petroleum Corporation
105 South Fourth St.
Artesia, New Mexico 88210

**RE: STAGE 1 ABATEMENT PLAN PROPOSALS
WILLIAMS PIT SITE (AP-22)
LATTION PIT SITE (AP-23)
INEX PIT SITE (AP-24)
SCRIPP PIT SITE (AP-25)**

Dear Ms. Norton:

The New Mexico Oil Conservation Division (OCD) has reviewed the following Yates Petroleum Corporation (Yates) documents:

- October 19, 2001 "STAGE 1 ABATEMENT PLANS, WILLIAMS PIT SITE (AP-22), LATTION PIT SITE (AP-23), INEX PIT SITE (AP-24), SCRIPP PIT SITE, (AP-25)".
- July 3, 2001 "TRANSMITTAL OF STAGE 1 ABATEMENT PLAN PROPOSALS, ABATEMENT PLAN AP-25 SCRIPP PIT SITE, ABATEMENT PLAN AP-24 INEX PIT SITE, ABATEMENT PLAN AP-23 LATTION PIT SITE, ABATEMENT PLAN AP-22 WILLIAMS PIT SITE".
- July 2, 2001 "STAGE 1 ABATEMENT PLAN PROPOSAL, ABATEMENT PLAN AP-22, WILLIAMS PIT SITE, EDDY COUNTY, NEW MEXICO".
- July 2, 2001 "STAGE 1 ABATEMENT PLAN PROPOSAL, ABATEMENT PLAN AP-23, LATTION PIT SITE, EDDY COUNTY, NEW MEXICO".
- July 2, 2001 "STAGE 1 ABATEMENT PLAN PROPOSAL, ABATEMENT PLAN AP-24, INEX PIT SITE, EDDY COUNTY, NEW MEXICO".
- July 2, 2001 "STAGE 1 ABATEMENT PLAN PROPOSAL, ABATEMENT PLAN AP-25, SCRIPP PIT SITE, EDDY COUNTY, NEW MEXICO".

These documents contain Yates' proposed Stage 1 abatement plan proposals and proof of public notice for investigation of the extent of contamination related to former unlined pits at Yates' Williams Pit Site located in Unit C, Section 25, Township 18 South, Range 26 East, Eddy County, New Mexico; the Lattion Pit Site located in Unit K, Section 23, Township 18 South, Range 26 East, Eddy County, New Mexico; the Inex Pit Site located in Unit F, Section 26, Township 18 South, Range 26 East, Eddy County and; the Scripps Pit Site located in Unit L, Section 25, Township 18 South, Range 26 East, Eddy County, New Mexico.

The Stage 1 Abatement Plans for the Williams, Lattion, Inex and Scripps pit sites, as contained in the above-referenced documents, are approved with the following conditions:

1. Ground water from all site monitor wells shall be sampled and analyzed for concentrations of benzene, toluene, ethylbenzene and xylene (BTEX); major cations and anions; and, New Mexico Water Quality Control Commission (WQCC) metals using EPA approved methods and quality assurance/quality control procedures.
2. All wastes generated shall be disposed of at an OCD approved facility or in an OCD approved manner.
3. Yates shall submit a Stage 1 investigation report for each site to the OCD Santa Fe Office by April 1, 2002. Please provide a copy of all documents to the OCD Artesia District Office.
4. Yates shall notify the OCD at least 48 hours in advance of all scheduled activities such that the OCD has the opportunity to witness the events and split samples.

Please be advised that OCD approval does not relieve Yates of responsibility if the Stage 1 abatement plan fails to adequately determine the extent of contamination related to Yates' facilities.

In addition, OCD approval does not relieve Yates of responsibility for compliance with any other federal, state or local laws and regulations.

If you have any questions, please contact Bill Olson of my staff at (505) 476-3491.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

RCA/wco

cc: Tim Gum, OCD Artesia District Office
Jeffrey D. Minchak, Harding ESE, Inc.
B.R. Wilson



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenberg
Director
Oil Conservation Division

February 1, 2002

Mr. B.R. Wilson
1312 South First Street
Artesia, New Mexico 88210-9733

**RE: YATES PETROLEUM STAGE 1 ABATEMENT PLAN PROPOSALS
WILLIAMS PIT SITE (AP-22)
LATTION PIT SITE (AP-23)
INEX PIT SITE (AP-24)
SCRIPP PIT SITE (AP-25)**

Dear Mr. Wilson:

The Oil Conservation Division (OCD) has received your October 10, 2000 letter commenting on Yates Petroleum Corporation's (Yates) proposed Stage 1 abatement plans for investigation of the extent of contamination related to former unlined pits at Yates' Williams Pit Site located in Unit C, Section 25, Township 18 South, Range 26 East, Eddy County, New Mexico; the Lattion Pit Site located in Unit K, Section 23, Township 18 South, Range 26 East, Eddy County, New Mexico; the Inex Pit Site located in Unit F, Section 26, Township 18 South, Range 26 East, Eddy County and; the Scripp Pit Site located in Unit L, Section 25, Township 18 South, Range 26 East, Eddy County, New Mexico.

Pursuant to OCD Rule 19, the OCD required abatement plans because ground water at each site was found to be contaminated in excess of state standards during prior soil remediation and investigation activities. A review of the OCD's records shows that the water wells that you are concerned about are upgradient of the sites being investigated by Yates and therefore any problems with these wells would not be related to the contamination at the above-referenced sites. However, the OCD welcomes any comments you may have on these sites. Due to your interest in the investigations, you will receive copies of all future OCD correspondence concerning the abatement plan.

The abatement plan is broken into 2 stages, a Stage 1 Abatement Plan Proposal and a Stage 2 Abatement Plan Proposal. The purpose of the Stage 1 Abatement Plan Proposal is for the responsible person to determine the magnitude and extent of contamination that is related to their operations. The rules require that the responsible person provide public notice of the plan and allows a 30 day period

for receipt of public comments. Based upon a technical review of the proposal and consideration of the public comments, the OCD resolves deficiencies in the proposal with the responsible person and issues administrative approval of the Stage 1 Abatement Plan. The responsible person then conducts the investigations at the site and provides a Stage 1 Investigation Report to the OCD for approval.

Once the extent of contamination has been determined, the responsible person is required to submit a Stage 2 Abatement Plan Proposal which contains a proposed plan to remediate the site to state standards. The rule also requires that the responsible person provide public notice of the plan and allows a 30 day period for receipt of public comments and public requests for a hearing on the merits of the plan. A request for a public hearing must be in writing and must include the reasons why a hearing should be held. Based upon a technical review of the proposal and consideration of the public comments, the OCD attempts to resolve deficiencies in the proposal with the responsible person and then determines whether the Stage 2 Abatement Plan is administratively approvable or denied. If the plan is administratively denied, the applicant will be notified and it will be its responsibility to request a hearing appealing the denial. If the Stage 2 Abatement Plan is determined to be administratively approvable, the OCD will notify the applicant and all intervenors of the conditions under which the plan would be approved. Intervenors will be allowed fifteen (15) days from receipt of the determination to notify the OCD whether they still wish to proceed to hearing.

The OCD appreciates your input on environmental and public health issues relating to this abatement plan. If you have any questions or comments, please do not hesitate to contact me at (505) 476-3491.

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

cc: Tim Gum, OCD Artesia District Office
Lisa Norton, Yates Petroleum Corporation.

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



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

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

Mr. Roger Anderson
New Mexico Energy & Natural Resources Dept.
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

October 19, 2001

Re: Stage 1 Abatement Plans
Williams Pit Site (AP-22)
Lattion Pit Site (AP-23)
Inex Pit Site (AP-24)
Scripp Pit Site (AP-25)

OIL CONSERVATION DIV.
01 OCT 22 AM 10:49

Dear Roger,

Pursuant to OCD Rule 19.G and your letter dated September 25, 2001, enclosed are:

- 1) Affidavits of Publication from the Albuquerque Journal and Artesia Daily Press
- 2) Certification of written notice via regular mail to:
 - a. Surface owners within one (1) mile perimeter of the sites
 - b. Persons on list provided by the Division
- 3) Certified mail receipts from:
 - a. Eddy County Commission
 - b. New Mexico Trustee for Natural Resources

Yates requests the Division complete their review of the above Stage 1 Abatement Plans Proposals.

If you need additional information, please contact me at 505-748-4185.

Sincerely,

Lisa Norton
Environmental Coordinator

enc.
cc: Tim Gum, OCD Artesia District Office
Jeff Minchak, Harding ESE, Inc.

Certification of Written Notice

Yates Petroleum Corporation (Yates) has submitted a Stage I Water Abatement Plan to the New Mexico Oil Conservation Division (OCD) for four (4) former unlined disposal pits located south of Artesia in Eddy County.

Pursuant to New Mexico Oil Conservation Division (OCD) Rule 19.G, I certify that written notice has been given to:

- (a) Surface owners of record within one (1) mile perimeter of locations - see attached list (via regular mail)
- (b) The Eddy County Commission (via certified mail)
- (c) Persons identified by the OCD Director who requested notification - see attached list (via regular mail)
- (d) New Mexico Trustee for Natural Resources (via certified mail)

Additionally, notice was published in the Artesia Daily Press and the Albuquerque Journal. (see attached affidavits of publication.)

October 19, 2001

Signed

Lisa Norton

Lisa Norton
Environmental Coordinator

Lina Huerta
Notary



my commission expires 04-15-04

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Received by (Please Print Clearly) B. Date of Delivery</p>	
<p>1. Article Addressed to:</p> <p>William Turner NM Trustee for Natural Resources c/o American Ground Water Consultants 610 Gold St. SW, Suite 111 Albuquerque, NM 87102</p>		<p>C. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>	
<p>2. Article Number (Copy from service label)</p> <p>7000 0520 0017 1087 9748</p>		<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input checked="" type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
<p>PS Form 3811, July 1999</p>		<p>Domestic Return Receipt 102595-00-M-0952</p>	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Received by (Please Print Clearly) B. Date of Delivery</p>	
<p>1. Article Addressed to:</p> <p>County Commissioners 101 W. Greene St. 225 Carlsbad, NM 88220-6219</p>		<p>C. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>	
<p>2. Article Number (Copy from service label)</p> <p>7000 0520 0017 1087 9748</p>		<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
<p>PS Form 3811, July 1999</p>		<p>Domestic Return Receipt 102595-00-M-0952</p>	

NOTICE OF PUBLICATION

STATE OF NEW MEXICO ENERGY, MINERALS AND NATU- RAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Oil Conservation Division Regulations, the following Stage 1 Abatement Plan Proposals have been submitted to the Director of the Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, New Mexico, 87505, Telephone (505) 476-3440:

Yates Petroleum Corporation, Lisa Norton, Environmental Coordinator, Telephone (505) 748-4185, 105 South Fourth St., Artesia, New Mexico 88210, has submitted a Stage 1 Abatement Plan Proposal (AP-22) for the Williams Pit Site, located in Unit C of Section 25, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. An unlined disposal pit was formerly operated at the site. Petroleum-related contamination in excess of New Mexico Water Quality Control Commission standards has been observed in ground water at the site. The Stage 1 Abatement Plan Proposal presents the following activities: determine site geology and hydrogeology; conduct a registered water well search within a 1 mile radius of the site; install monitoring wells; collect soil samples for field screening and/or laboratory analysis from each boring; collect ground water samples for laboratory analysis from each monitoring well; obtain depth to ground water measurements and calculate the ground water gradient and direction; survey all well locations by a professional land surveyor registered in the State of New Mexico; preparation of a report; and a schedule for implementation of all investigation activities.

Yates Petroleum Corporation, Lisa Norton, Environmental Coordinator, Telephone (505) 748-4185, 105 South Fourth St., Artesia, New Mexico 88210, has submitted a Stage 1 Abatement Plan Proposal (AP-23) for the Lattion Pit Site, located in Unit K of Section 23, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. An unlined disposal pit was formerly operated on the site. Petroleum-related contamination in excess of

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Yates Petroleum Corporation, Lisa Norton, Environmental Coordinator, Telephone (505) 748-4185, 105 South Fourth St., Artesia, New Mexico 88210, has submitted a Stage 1 Abatement Plan Proposal (AP-24) for the Inex Pit Site, located in Unit F of Section 26, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. An unlined disposal pit was formerly operated at the site. Petroleum-related contamination in excess of New Mexico Water Quality Control Commission standards has been observed in ground water at the site. The Stage 1 Abatement Plan Proposal presents the following activities: determine site geology and hydrogeology; conduct a registered water well search within a 1 mile radius of the site; install monitoring wells; collect soil samples for field screening and/or laboratory analysis from each boring; collect ground water samples for laboratory analysis from each monitoring well; obtain depth to ground water measurements and calculate the ground water gradient and direction; survey all well locations by a professional land surveyor registered in the State of New Mexico; preparation of a report; and a schedule for implementation of all investigation activities.

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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 Stage 1 Abatement Plan Proposals may be viewed at the above address or at the Oil Conservation Division Artesia District Office, 1301 W. Grand Ave., Artesia, New Mexico 88210, Telephone (505) 748-1283 between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on the proposed Stage 1 Abatement Plan Proposals, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which written comments may be submitted.
Journal: October 9, 2001

STATE OF NEW MEXICO

County of Bernalillo

SS

Bill Tafoya, being duly sworn, declares and says that he is Classified Advertising Manager of **The Albuquerque Journal**, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made of assessed as court cost; that the notice, copy of which is hereto attached, was published in said paper in the regular daily edition, for 6 times, the first publication being on the 9 day of Oct, 2001, and the subsequent consecutive publications on _____, 2001.

Sworn and subscribed to before me, a Notary Public, in and for the County of Bernalillo and State of New Mexico this 9 day Oct of 2001.

PRICE

86.13

Statement to come at end of month.

ACCOUNT NUMBER

C89944

CLA-22-A (R-1/93)



OFFICIAL SEAL
Samantha Weiss

NOTARY PUBLIC
STATE OF NEW MEXICO

My Commission Expires:

10/2/04

Samantha Weiss

Land Owners – Section

Thomas Egger Estate
PO Box 407
Texico, NM 88135-0407

Thomas & Wanda Faye Wilson
1312 First Street
Artesia, NM 88210

TM Griswold
PO Box 1627
Lovington, NM 88260-1627

Blanche Widaman
PO Box 82408
Lincoln, NM 68501-2408

Mccaw & Nix
PO Box 440
Artesia, NM 88211-0440

Alice Martin Morgan
2112 Kirby NE
Albuquerque, NM 87112

Charles Martin Inc.
PO Box 706
Artesia, NM 88211-0706

Rogers Inc.
52 Rogers Drive
Artesia, NM 88220

Donald Fanning & Sons
52 Fanning Road
Artesia, NM 88210

Hubert & Thelma Green
PO Box 1821
Artesia, NM 88211-1821

N.A. Feters
252 E. Kincaid Road
Artesia, NM 88210

George & Mary Anella Anderman
Anderman Operating Company
1775 Sherman Street #2080
Denver, CO 80203-4340

Beverly S. Wilson
P.O. Box 1534
Roswell, NM 88202-1534

Cecilia P. Halsey
P.O. Box 22
Huntsville, AL 35804-0022

Morris E. Schertz
P.O. Box 2292
Roswell, NM 88202-2292

Sue Douglas
29154 S. Lakeshore Dr.
Agoura, CA 91301-2872

Delpha Hunter
2532 E. North
Decatur, IL 62521

Virginia Kindle Wingert
2563 NE 107th Street
Seattle, WA 98125-6707

Lynden A. Ruester
124 Brown Pelican Dr.
Daytona Beach, FL 32119

Cara Smith
4120 Thomason Avenue
El Paso, TX 79904

Eva Prouty
735 Coleen Drive
San Jose, CA 95123

**State Land Office
Hobbs District
3830 North Grimes
Suite C
Hobbs, NM 88240**

**Chris Shuey
Southwest Research
& Information Center
P. O. Box 4524
Albuquerque, N.M. 87106**

**Director
State Parks & Recreation
Villagra Building
Santa Fe, N.M. 87503**

**Dr. Jay Sorenson
2800 Charleston NE**

Albuquerque, N.M. 87110

**Bob Steele
Land & Mineral Resources
P. O. Box 194
Laguna, N.M. 87026**

**Westinghouse Electric Corp.
Manager - Uranium Resources Div.
P. O. Box 355
Pittsburg, P.A. 15230**

**George Vlahos
Sierra Club
212 Tulane SE
Albuquerque, N.M. 87106**

**Lee Wilson & Associates
P. O. Box 931
Santa Fe, N.M. 87501**

**Secretary
New Mexico Environment Department
P. O. Box 26110
Santa Fe, NM 87504**

**Thomas Kellahin
Kellahin & Kellahin
P. O. Box 2265
Santa Fe, NM 87501**

**Director
Department of Game & Fish
Villagra Building
Santa Fe, NM 87503**

**Jackie Jennings
Core Laboratories, Inc.
10703 E. Bethany Drive
Aurora, CO 80014**

**Olson Plunk
Southwestern Public Service
P. O. Box 1261
Amarillo, TX 79170**

**Soil and Water Conservation Bureau
New Mexico Department of Agriculture
Agriculture Programs and Resources Division
Box 30005/APR
Las Cruces, New Mexico 88003-8005**

**Environmental Affairs
Public Service Company
of New Mexico
P. O. Box 2267
Albuquerque, NM 87103**

**Governor
Pueblo of Laguna
P. O. Box 194
Laguna, NM 87026**

**State Engineer
Water Resources Division
Bataan Building
Santa Fe, NM 87503**

**State Director
Bureau of Land Management
P. O. Box 27115
Santa Fe, NM 87502-0115**

**NM Citizens
Clean Air & Water
John Bartlit, Chairman
113 Monte Ray Dr., North
Los Alamos, NM 87544**

**William F. Carr
Campbell & Black
P. O. Box 2208
Santa Fe, NM 87501**

**NM Municipal League
P. O. Box 846
1229 Paseo De Peralta
Santa Fe, NM 87501**

**Jay Lazarus
P. O. Box 5727
Santa Fe, NM 87502**

**Director
Water Resources Dept.
p. O. Box 1293
Albuquerque, NM 87103**

**NM Water Well Association
1205 California NE
Albuquerque, NM 87110**

**Field Supervisor
US Fish & Wildlife Service
2105 Osuna Road, Northeast
Albuquerque, NM 87113-1001**

**Patricia A. D'Andrea
P. O. Box 6387
Santa Fe, NM 87502**

Bruce S. Garber
Attorney at Law
P. O. Box 0850
Santa Fe, NM 87504-0850

Mike Matush
State Land Office Building
Santa Fe, NM 87503

Science Applications, Inc.
P. O. Box 3344
Boulder, CO 80303

Dr. Harry Bishara
P. O. Box 748
Cuba, NM 87013

Director
Albuquerque Environmental
Health Department
P. O. Box 1293
Albuquerque, NM 87103

John Draper
Montgomery & Andrews
P. O. Box 2307
Santa Fe, NM 87504

Perry Pearce
Burlington Resources
300 Galisteo, Suite 101
Santa Fe, NM 87501

Lynn Brandvold
NM Bureau of Mines &
Mineral Resources
NM Institute of Mining & Tech.
Socorro, NM 87801

Jeanne Haffen
El Paso Natural Gas
P. O. Box 1492
El Paso, TX 79978

Richard P. Chagnon
Hydrologist
2825 E. Malvern Drive
Tucson, AZ 85716

Regional Forester
USFS Regional Office
517 Gold Avenue SW
Albuquerque, NM 87102

Director
Colorado River Comm
of Nevada
555 East Washington Avenue,
Suite 3100
Las Vegas, NV 89158

Gerald R. Zimmerman
Colorado River Board of Calif.
770 Fairmont Ave., Ste. 100
Glendale, CA 91203-1035

Director
Division of Water Quality
288 North 1460 West
Salt Lake City, UT 84114

Jack A. Barnett
Colorado River Basin Ctrl. Forum
106 West 500 South,
Suite 101
Bountiful, UT 84010

Chief
Groundwater Bureau
Runnels Building
Santa Fe, NM 87504

Chief
Hazardous Waste Bureau
Runnels Building
Santa Fe, NM 87504

Thomas W. Merlan, Director
228 East Palace Avenue
Villa Rivera Room 101
Santa Fe, NM 87503

Chester Rail
10613 Calle De Elena NW
Albuquerque, NM 87048

Ken Marsh
Controlled Recovery Inc.
P. O. Box 369
Hobbs, NM 88241

Attorney General's Office
P. O. Box 1508
Santa Fe, NM 87504

Colin Adams
Environmental Counsel
Public Service Company
of New Mexico
414 Silver, Southwest
Albuquerque, NM 87158

Devon E. Jercinovic
International Technology Corp.
5301 Central Avenue, N.E.
Suite 700
Albuquerque, NM 87108

NM Oil & Gas Association
P. O. Box 1864
Santa Fe, New Mexico 87504-1864

Len Oyenque
The Tewa Company
P.O. Box 1261
San Juan Pueblo, NM 87566

William Turner
New Mexico Trustee for Natural Resources
c/o American Ground Water Consultants
610 Gold St. SW, Suite 111
Albuquerque, NM 87102

Affidavit of Publication

Copy of Publication:

NO. 17509

STATE OF NEW MEXICO

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The
Artesia Daily Press, a daily newspaper of general
circulation, published in English at Artesia, said county
and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said
Artesia Daily Press, a daily newspaper duly qualified
for that purpose within the meaning of Chapter 167 of
the 1937 Session Laws of the state of New Mexico for
1 consecutive weeks/days on the same

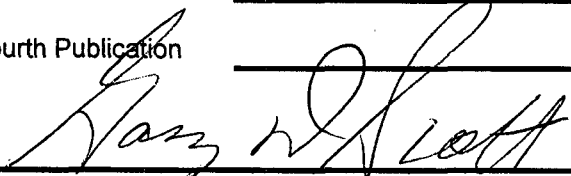
day as follows:

First Publication October 9 2001

Second Publication

Third Publication

Fourth Publication



Subscribed and sworn to before me this

9th day of October 2001



Notary Public, Eddy County, New Mexico

My Commission expires September 23, 2003

Copy of Publication:

LEGAL NOTICE

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 Oil Conservation Division Regulations, the following Stage 1 Abatement Plan Proposals have been submitted to the Director of the Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, New Mexico 85705, Telephone (505) 476-3440.

Yates Petroleum Corporation, Lisa Norton, Environmental Coordinator, Telephone (505) 748-4185, 105 South Fourth St., Artesia, New Mexico, 88210, has submitted a Stage 1 Abatement Plan Proposal (AP-22) for the Williams Pit Site, located in Unit C of Section 25, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. An unlined disposal pit was formerly operated at the site. Petroleum-related contamination in excess of New Mexico Water Quality Control Commission standards has been observed in ground water at the site. The Stage 1 Abatement Plan Proposal presents the following activities: determine site geology and hydrogeology; conduct a registered water well search within a 1 mile radius of the site; install monitoring wells; collect soil samples for field screening and/or laboratory analysis from each boring; collect ground water samples for laboratory analysis from each monitoring well; obtain depth to ground water measurements and calculate the ground water

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Published in the Artesia Daily Press, Artesia, N.M. October 9, 2001 Legal 17509

Affidavit of Publication

NO. 17509

STATE OF NEW MEXICO

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The
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1 consecutive weeks/days on the same

day as follows:

First Publication October 9 2001

Second Publication _____

Third Publication _____

Fourth Publication _____

Subscribed and sworn to before me this

9th day of October 2001

Barbara Ann Boon
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 2003

Copy of Publication:

LEGAL NOTICE

NOTICE OF PUBLIC
STATE OF NEW MEXICO
ENERGY, MINERAL
NATURAL RESOURCES
DEPARTMENT
OIL CONSERVATION
DIVISION

Notice is hereby given pursuant to New Mexico Conservation Regulations, the following Stage 1 Abatement Proposals, have been submitted to the Director of the Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, New Mexico 85705, Telephone 476-3440: Yates Petroleum Corporation, Lisa N. Environmental Coordinator, Telephone (505) 748-105 South Fourth Artesia, New Mexico, 88 has submitted a Stage Abatement Plan Proposal (AP-22) for the Williams Site, located in Unit C Section 25, Township South, Range 26 E NMPM, Eddy County, New Mexico. An unlined disposal pit was formerly operated at the site. Petroleum-related contamination in excess of New Mexico Water Quality Control Commission standards has been observed in ground water at the site. The Stage Abatement Plan Proposal presents the following activities: determine site geology and hydrogeology; conduct a registered water well search within a 1 mile radius of the site; install monitoring wells; collect soil samples for field screening and/or laboratory analysis from each boring; collect ground water samples for laboratory analysis from each monitoring well; obtain depth to ground water measurements and calculate the ground water

ARTESIA POLICE DEPARTMENT

Oct. 8

ARRESTS

11:49 p.m. — Teresa K. Duncan, 34, of 112 W. Grand Ave., arrested on warrant at Touch of Texas. Duncan charged with failure to pay fines. Posted \$42 cash.

10:45 p.m. — Keeden A. Green of 512 S. Seventh St. arrested at residence. Green charged with damage to streetlight.

1:43 p.m. — Benjamin Valenzuela, 15, of 306 Cleveland Ave., arrested in the alley in the 800 block of N. Eighth Street. Valenzuela charged with simple battery. Cited and released to parent.

COLLISION

8:27 a.m. — Vehicle driven by Sonia V. Madrid, 34, of 2500 W. Missouri Ave. struck vehicle driven by Ismael G. Juarez, 75, of 1902 W. Booker Ave. Juarez and passenger received first aid from Artesia Fire Department EMTs. Madrid cited for expired license plate; no registration; collision from stop sign.

FOUND

4:08 p.m. — Employee at Artesia General Hospital reported finding a knife on the property. Turned over to police.

LARCENY

10:08 a.m. — Sonja L. Keim of 1405 W. Briscoe Ave., reported two bicycles taken from residence. Also, reported finding two bicycles left in place of those missing.

COMMERCIAL BURGLARY; LARCENY; CRIMINAL DAMAGE

9 a.m. — Pastor at West Main Baptist Church at 1701 W. Main St. reported unknown persons entered building and removed items.

DIRECTOR OF OIL CONSERVATION 10-8-01
122 ST. FRANCIS DR.
SANTA FE, NM 87504
ATTEN. BILL WILSON OIL CONSERVATION DIV.

To who it may concern
OCT 11 PM 1:21

BR & Wanda Wilson own a small farm & grass land every direction from the abatement plan proposal Yates Pst. has submitted to the oil conservation.

The wells I am most concerned about are on my farm to the East of the 4 sites.

I have 2 domestic wells one taste so bad you can't drink the water the other doesn't taste bad but hasn't been tested since it was drilled approx. 3 years ago. We haul drinking water.

I have an irrigation well Arterian that when you first turn it on you can see a blue haze when you look at sprinklers.

When you pull this well the pipe is coated with oil.

About every three years the pipe has to be replaced it is ate up.
I own around 8,000 acres with in 5 miles of this area.

I own several blocks of land in the old Dayton town site if the water is not good I won't be able to sell these.

I have owned some of this land for 30 years. I am familiar with Yates Pst. and how they operate. I have had the misfortune to have to deal with them. They get what they want.

I don't see how they can say that if this water is contaminated that these 4 sites has caused the problem when their disregard for the land owners and environment has occurred in this and other areas for years. I understand Gates has had wells since the year 1920 in the Dayton Area. The legal description is as follows:

TOWNS. RANGE

old
Farm
wells

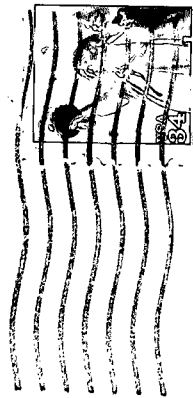
RA-888A	NE $\frac{1}{4}$ NE $\frac{1}{4}$	Section 21 - 18 S 26 E
RA-888A	NW $\frac{1}{4}$ NW $\frac{1}{4}$	22 18 S 26 E

The farm lays in these same areas & legal descriptions
I own land within $\frac{1}{4}$ mile from the sites except on the South side.
If you need more info. please let me know.

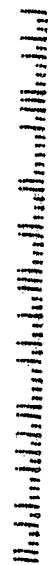
BR Wilson

RECEIVED
OCT 11 2001
OIL CONSERVATION
DIVISION

~~_____~~
B. R. WILSON
1312 SOUTH FIRST STREET
ARTESIA, NM 88210-9733



Director of the U. S. Conservation Division
1220 St. Francis Dr.
Santa Fe, N. M. 87505

27505/4000 



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

September 25, 2001

CERTIFIED MAIL

RETURN RECEIPT NO: 5357-7942

Ms. Lisa Norton
Yates Petroleum Corporation
105 South Fourth St.
Artesia, New Mexico 88210

**RE: STAGE 1 ABATEMENT PLAN PROPOSALS
WILLIAMS PIT SITE (AP-22)
LATTION PIT SITE (AP-23)
INEX PIT SITE (AP-24)
SCRIPP PIT SITE (AP-25)**

Dear Ms. Norton:

The New Mexico Oil Conservation Division (OCD) has reviewed the following Yates Petroleum Corporation (Yates) documents:

- July 3, 2001 "TRANSMITTAL OF STAGE 1 ABATEMENT PLAN PROPOSALS, ABATEMENT PLAN AP-25 SCRIPP PIT SITE, ABATEMENT PLAN AP-24 INEX PIT SITE, ABATEMENT PLAN AP-23 LATTION PIT SITE, ABATEMENT PLAN AP-22 WILLIAMS PIT SITE"
- July 2, 2001 "STAGE 1 ABATEMENT PLAN PROPOSAL, ABATEMENT PLAN AP-22, WILLIAMS PIT SITE, EDDY COUNTY, NEW MEXICO".
- July 2, 2001 "STAGE 1 ABATEMENT PLAN PROPOSAL, ABATEMENT PLAN AP-23, LATTION PIT SITE, EDDY COUNTY, NEW MEXICO".
- July 2, 2001 "STAGE 1 ABATEMENT PLAN PROPOSAL, ABATEMENT PLAN AP-24, INEX PIT SITE, EDDY COUNTY, NEW MEXICO".
- July 2, 2001 "STAGE 1 ABATEMENT PLAN PROPOSAL, ABATEMENT PLAN AP-25, SCRIPP PIT SITE, EDDY COUNTY, NEW MEXICO".

These documents, which were submitted on behalf of Yates by their consultant Harding ESE, contain Yates' proposed Stage 1 abatement plan proposals for investigation of the extent of contamination related to former unlined pits at Yates' Williams Pit Site located in Unit C, Section 25, Township 18 South, Range 26 East, Eddy County, New Mexico; the Lattion Pit Site located in Unit K, Section 23, Township 18 South, Range 26 East, Eddy County, New Mexico; the Inex Pit Site located in Unit F, Section 26, Township 18 South, Range 26 East, Eddy County and; the Scripp Pit Site located in Unit L, Section 25, Township 18 South, Range 26 East, Eddy County, New Mexico

The OCD has determined that the above referenced Stage 1 Abatement Plan Proposals are administratively complete. Before the OCD can complete a review of the Stage 1 proposals, the OCD requires that:

1. Yates issue by October 10, 2001 the enclosed Stage 1 notice of publication in the Albuquerque Journal and Artesia Daily Press pursuant to OCD Rule 19.G.(2).
2. Prior to issuing public notice, Yates shall issue written notice of the Stage 1 proposals pursuant to OCD Rule 19.G.(1). Enclosed you will find a 3.5" disk containing a "Word" listing "those persons, as identified by the Director, who have requested notification" pursuant to OCD Rule 19.G.(1).(d). The disk also contains the contact for the New Mexico Trustee for Natural Resources.
3. Yates provide the OCD with proof of publication and proof of written notice by October 24, 2001.

If you have any questions, please contact Bill Olson of my staff at (505) 476-3491.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

RCA/wco

enclosures

cc: Tim Gum, OCD Artesia District Office
Jeffrey D. Minchak, Harding ESE, Inc.

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 Oil Conservation Division Regulations, the following Stage 1 Abatement Plan Proposals have been submitted to the Director of the Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

Yates Petroleum Corporation, Lisa Norton, Environmental Coordinator, Telephone (505) 748-4185, 105 South Fourth St., Artesia, New Mexico, 88210, has submitted a Stage 1 Abatement Plan Proposal (AP-22) for the Williams Pit Site, located in Unit C of Section 25, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. An unlined disposal pit was formerly operated at the site. Petroleum-related contamination in excess of New Mexico Water Quality Control Commission standards has been observed in ground water at the site. The Stage 1 Abatement Plan Proposal presents the following activities: determine site geology and hydrogeology; conduct a registered water well search within a 1 mile radius of the site; install monitoring wells; collect soil samples for field screening and/or laboratory analysis from each boring; collect ground water samples for laboratory analysis from each monitoring well; obtain depth to ground water measurements and calculate the ground water gradient and direction; survey all well locations by a professional land surveyor registered in the State of New Mexico; preparation of a report; and a schedule for implementation of all investigation activities.

Yates Petroleum Corporation, Lisa Norton, Environmental Coordinator, Telephone (505) 748-4185, 105 South Fourth St., Artesia, New Mexico, 88210, has submitted a Stage 1 Abatement Plan Proposal (AP-23) for the Lattion Pit Site, located in Unit K of Section 23, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. An unlined disposal pit was formerly operated at the site. Petroleum-related contamination in excess of New Mexico Water Quality Control Commission standards has been observed in ground water at the site. The Stage 1 Abatement Plan Proposal presents the following activities: determine site geology and hydrogeology; conduct a registered water well search within a 1 mile radius of the site; install monitoring wells; collect soil samples for field screening and/or laboratory analysis from each boring; collect ground water samples for laboratory analysis from each monitoring well; obtain depth to ground water measurements and calculate the ground water gradient and direction; survey all well locations by a professional land surveyor registered in the State of New Mexico; preparation of a report; and a schedule for implementation of all investigation activities.

Yates Petroleum Corporation, Lisa Norton, Environmental Coordinator, Telephone (505) 748-4185, 105 South Fourth St., Artesia, New Mexico, 88210, has submitted a Stage 1

Abatement Plan Proposal (AP-24) for the Inex Pit Site, located in Unit F of Section 26, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. An unlined disposal pit was formerly operated at the site. Petroleum-related contamination in excess of New Mexico Water Quality Control Commission standards has been observed in ground water at the site. The Stage 1 Abatement Plan Proposal presents the following activities: determine site geology and hydrogeology; conduct a registered water well search within a 1 mile radius of the site; install monitoring wells; collect soil samples for field screening and/or laboratory analysis from each boring; collect ground water samples for laboratory analysis from each monitoring well; obtain depth to ground water measurements and calculate the ground water gradient and direction; survey all well locations by a professional land surveyor registered in the State of New Mexico; preparation of a report; and a schedule for implementation of all investigation activities.

Yates Petroleum Corporation, Lisa Norton, Environmental Coordinator, Telephone (505) 748-4185, 105 South Fourth St., Artesia, New Mexico, 88210, has submitted a Stage 1 Abatement Plan Proposal (AP-25) for the Scripp Pit Site, located in Unit L of Section 25, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. An unlined disposal pit was formerly operated at the site. Petroleum-related contamination in excess of New Mexico Water Quality Control Commission standards has been observed in ground water at the site. The Stage 1 Abatement Plan Proposal presents the following activities: determine site geology and hydrogeology; conduct a registered water well search within a 1 mile radius of the site; install monitoring wells; collect soil samples for field screening and/or laboratory analysis from each boring; collect ground water samples for laboratory analysis from each monitoring well; obtain depth to ground water measurements and calculate the ground water gradient and direction; survey all well locations by a professional land surveyor registered in the State of New Mexico; preparation of a report; and a schedule for implementation of all investigation activities.

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 Stage 1 Abatement Plan Proposals may be viewed at the above address or at the Oil Conservation Division Hobbs District Office, 1625 N. French Drive, Hobbs, New Mexico 88240, Telephone (505) 393-6161 between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on the proposed Stage 1 Abatement Plan Proposals, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which written comments may be submitted.



Harding ESE

A MACTEC COMPANY

Harding ESE, Inc.

6400 Uptown Boulevard, NE

Suite 310E

Albuquerque, NM 87110

Telephone: 505/248-0017

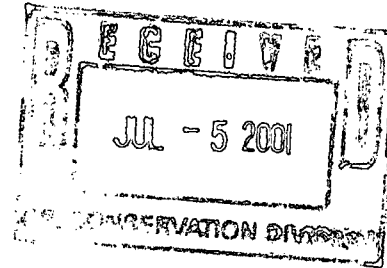
Fax: 505/248-0021

Home Page: www.mactec.com

July 3, 2001

53470.1

Mr. Roger Anderson
Environmental Bureau Chief
New Mexico Energy, Minerals, and
Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505



Re: Transmittal of Stage 1 Abatement Plan Proposals
Abatement Plan AP-25 Scripp Pit Site
Abatement Plan AP-24 Inex Pit Site
Abatement Plan AP-23 Lattion Pit Site
Abatement Plan AP-22 Williams Pit Site

Dear Mr. Anderson:

Harding ESE is providing you with a copy of each of the above referenced Stage I Abatement Plan Proposals (Abatement Plans) for four former pit locations. The Abatement Plans have been prepared in accordance with the Oil Conservation Division (OCD) requirements set forth in the letter of March 7, 2001 to Yates Petroleum Corporation (Yates). Harding ESE is also transmitting one copy of each Abatement Plan to Mr. Mike Stubblefield, in the OCD-Artesia office.

Please direct any questions or comments regarding the Abatement Plans to me at (505) 248-0017 or to Ms. Lisa Norton, Yates Environmental Coordinator, at (505) 748-4185.

Sincerely,
HARDING ESE

Jeffrey D. Minchak, P.G.
Senior Project Geologist

cc: Mike Stubblefield
OCD District 2 Office
1301 W. Grand Avenue
Artesia, NM 88210

Lisa Norton, Yates Petroleum Corporation



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

May 14, 2001

Ms. Lisa Norton
Yates Petroleum Corporation
105 South Fourth St.
Artesia, New Mexico 88210


**RE: ABATEMENT PLAN AP-22, WILLIAMS PIT SITE
ABATEMENT PLAN AP-23, LATTION PIT SITE
ABATEMENT PLAN AP-24, INEX PIT SITE
ABATEMENT PLAN AP-25, SCRIPP PIT SITE**

Dear Ms. Norton:

The New Mexico Oil Conservation Division (OCD) has reviewed Yates Petroleum Corporation's (Yates) April 27, 2001 correspondence titled "ABATEMENT PLAN AP-25 SCRIPP PIT SITE, ABATEMENT PLAN AP-24 INEX PIT SITE, ABATEMENT PLAN AP-23 LATTION PIT SITE, ABATEMENT PLAN AP-22 WILLIAMS PIT SITE". This document contains Yates' request for an extension of the deadline for submission of abatement plans for the above listed sites from May 7, 2001 to July 7, 2001.

The above-referenced request is approved. If you have any questions, please contact Bill Olson at (505) 827-7154.

Sincerely,

for 
Roger C. Anderson
Environmental Bureau Chief

xc: Tim Gum, OCD Artesia District Office

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



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

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CHAIRMAN OF THE BOARD
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RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

Roger Anderson
Environmental Bureau Chief
New Mexico Energy, Minerals and
Natural Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED
MAY - 7 2001

April 27, 2001

**RE: Abatement Plan AP-25 Scripp Pit Site
Abatement Plan AP-24 Inex Pit Site
Abatement Plan AP-23 Lattion Pit Site
Abatement Plan AP-22 Williams Pit Site**

Dear Mr. Anderson,

Your letters dated March 7, 2001 request a "Stage 1 abatement plan investigation proposal" pursuant to OCD Rule 10.E.1 and OCD Rule 19.E.3 by May 7, 2001 for the above locations.

Yates is requesting an extension of sixty (60) days and proposes submission of plans on or before July 7, 2000. We have retained Jeff Minchak with Harding ESE to prepare the plans.

Please contact me at 505-748-4185 or Mr. Minchak at 505-248-0017 if you have questions or need additional information.

Sincerely,

Lisa Norton
Environmental
Coordinator

cc: Darrell Atkins
Jeff Minchak, Harding ESE
file



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

March 7, 2001

CERTIFIED MAIL
RETURN RECEIPT NO. 5051-4188

Ms. Lisa Norton
Yates Petroleum Corporation
105 South Fourth St.
Artesia, New Mexico 88210

**RE: ABATEMENT PLAN AP-22
WILLIAMS PIT SITE**

Dear Ms. Norton:

The New Mexico Oil Conservation Division (OCD) has reviewed Yates Petroleum Corporation's (Yates) December 15, 2000 "PIT CLOSURE FOR WILLIAMS PIT SITE" and accompanying December 15, 2000 "PIT REMEDIATION AND CLOSURE REPORT", November 2000 "PRELIMINARY SITE INVESTIGATION REPORT, WILLIAMS PIT SITE, EDDY COUNTY, NEW MEXICO" and February 28, 2000 "FINAL CLOSURE OF UNLINED SURFACE IMPOUNDMENTS - EDDY COUNTY, NEW MEXICO". These documents contain information on the closure and investigation of the extent of contamination at Yates' Williams Pit Site located in the NE/4 of the NW/4 of Section 25, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. The documents also request closure of the site remediation actions.

A review of the information provided shows that ground water underlying the pit is contaminated with benzene and chloride in excess of the New Mexico Water Quality Control Commission (WQCC) standards. Therefore, the OCD cannot issue final closure approval for the site. Pursuant to 19 NMAC 15.A.19.C.1, the OCD requires an abatement plan for the Williams Pit Site to abate ground water pollution. To initiate the abatement plan process, the OCD requires that Yates submit to the OCD by May 7, 2001 a Stage 1 abatement plan investigation proposal pursuant to OCD Rule 19.E.1. and OCD Rule 19.E.3. If you have any questions, please contact Bill Olson at (505) 827-7154.

Sincerely,

Roger C. Anderson
Environmental Bureau Chief

xc: Tim Gum, OCD Artesia District Office

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
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TELEPHONE (505) 748-1471

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SECRETARY
DENNIS G. KINSEY
TREASURER

Mike Stubblefield
New Mexico Oil Conservation Division
811 S. 1st Street
Artesia, NM
88210

15 December, 2000

RECEIVED

DEC 19 2000

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

Ref: Pit Closure for Williams Pit Site

Dear Mike:

Yates Petroleum Corporation requests closure of the Williams Unlined Surface Impoundment located in Eddy County New Mexico with no further action required. A brief explanation of the history of our actions at this site follows, and is supplemented with reports from the contractors hired to close the pit. These actions followed OCD guidelines, and included scientific evidence obtained through analytical soil and water testing samples. The narrative explains our risk based analysis and request for closure. These results are contained in the "Preliminary Site Investigation Report" produced by Environmental Technology Group, Inc. (ETGI) and field activity notes and analytical results prepared by Bioremediation Contractors & Consultants, Inc. (BCC).

This Williams Unlined Surface Impoundment site is located in the NE ¼ of the NW ¼ of Section 25, Township 18 S, Range 26 East in Eddy County, New Mexico approximately 9 miles South of Artesia.

In 1997, Yates Petroleum Corporation purchased the H & S Production facilities. These facilities included unlined surface impoundments. As part of the purchase we had an Environmental Assessment done by Harding Lawson Associates (HLA) on this pit. HLA recommended we proceed with closure of this pit. In 1998 we received a bid from BCC to remove liquids, excavate and remediate the contaminated soil via an onsite land farm and to conduct analytical sampling until the pit site was clean enough to pursue closure activities.

Once BCC thought the pit was remediated to proper levels, they sent a closure request dated February 28, 2000 to Donna Williams at the OCD office in Hobbs. When I met with Donna in August 2000, she informed me that the closure report submitted by BCC (see enclosure) was inadequate for three reasons:

Williams, p. 2

- The soil and water were not sampled for Chlorides
- There was inadequate soil sampling done
- There was no site map or narrative explanation of activities enclosed

In addition to this, BCC inadvertently sent the closure request to the OCD office in Hobbs when in fact the Artesia office had jurisdiction. Once we brought these situations to the attention of Mike Stubblefield, and discussed the deficiencies of the closure request, we contracted ETGI to conduct further analysis of this pit and assist us in our closure.

A complete closure report produced by ETGI is enclosed. Per that report, we drilled bore holes to ground water and sampled for Chlorides, TPH and BTEX, as well as took analytical samples and PID samples on the way down. We completed a site map with sample locations and narrative of all activities.

The results of the soil and water sampling, and an analysis of ground water subsurface flow along with a risk based analysis of the complete situation, lead us to the conclusion that the risk is acceptable and we should proceed with this closure request.

Please review the enclosed materials, and if acceptable grant us our closure request. If you have any questions on this request please do not hesitate to contact me at (505) 748-4223. We would like an approval for this pit closure request by January 26th, 2001.

Sincerely,



David Haggith
Yates Petroleum Corporation
Environmental Coordinator

3 enclosures (Pit closure form, BCC report, ETGI report)

CC: Bill Olsen, OCD
Darrell Atkins
Ron Beasley
File