EOG Resources, Inc.
Artesia Division Office
104 S. 4th Street
Artesia, N. M. 88210

January 31, 2022

Bradford Billings
EMNRD
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Merle BOG State #3
30-025-37545
P-14-10S-34E
Lea County, NM
1RP-2792
Incident # nGRL1209340191

Mr. Billings,

EOG Resources, Inc. is submitting the enclosed Closure Report for the above referenced site which currently has an open incident on the NMOCD E-Permitting website. The report is being submitted in reference to Incident # nGRL1209340191 which is associated with 1RP-2792.

Previously EOG had submitted a Closure Report request for Incident # nGRL1209339294 which also relates to 1RP-2792. This Closure Report received approved closure by NMOCD (B. Billings) on 09/21/2021. When the closure report was submitted for this incident (nGRL1209339294), it wasn't known that an additional incident existed on NMOCD E-Permitting for the same release/RP. During investigations related to the possible divestiture of the well, it was discovered that a second incident was created for the same release/RP.

Based on the already approved closure for the previously known incident that relates to 1RP-2792, EOG hereby submits an additional Closure Report for the newly discovered open incident, nGRL1209340191, that is associated with the same RP.

ALL DOCUMENTS BEYOND THE REVISED C-141 FORM ARE IDENTICAL TO THOSE PREVIOUSLY SUBMITTED FOR nGRL1209339294.

If you have any questions, feel free to call me at (575) 748-1471.

Respectfully,

Chase Settle

Chase Settle
Rep Safety & Environmental Sr
EOG Resources, Inc.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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 Department

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Incident ID	NGRL1209340191
District RP	1RP-2792
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party EOG Resources, Inc.	OGRID 7377
Contact Name Chase Settle	Contact Telephone 575-748-1471
Contact email Chase_Settle@eogresources.com	Incident # *(assigned by OCD)* NGRL1209340191
Contact mailing address 104 S. 4th Street, Artesia, NM 88210	

Location of Release Source

Latitude 33.44253 Longitude -103.42887
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Merle State Unit #3	Site Type Well
Date Release Discovered 07/18/2011	API# 30-025-37545

Unit Letter	Section	Township	Range	County
P	14	10S	34E	Lea

Surface Owner: [X] State [ ] Federal [ ] Tribal [ ] Private (*Name:* _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

[X] Crude Oil	Volume Released (bbls) 45	Volume Recovered (bbls) 30
[X] Produced Water	Volume Released (bbls) 10	Volume Recovered (bbls) 0
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	[X] Yes [ ] No
[ ] Condensate	Volume Released (bbls)	Volume Recovered (bbls)
[ ] Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
[ ] Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release	Please refer to the attached original C-141 form for 1RP-2792 for cause of release and immediate action steps. EOG Resources is submitting for closure via the new form to formally close out this incident. All sampling and correspondence is also attached.

Form C-141
Page 2

State of New Mexico
Oil Conservation Division

Incident ID	NGRL1209340191
District RP	1RP-2792
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC? ☐ Yes ☐ No	If YES, for what reason(s) does the responsible party consider this a major release?
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

- ☑ The source of the release has been stopped.
- ☑ The impacted area has been secured to protect human health and the environment.
- ☑ Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.
- ☑ All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not been undertaken, explain why:

Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Printed Name: Chase Settle
Title: Rep Safety & Environmental Sr

Signature: Chase Settle
Date: 01/31/2022

email: Chase_Settle@eogresources.com
Telephone: 575-748-1471

OCD Only

Received by: _____
Date: _____

State of New Mexico
Oil Conservation Division

Incident ID	NGRL1209340191
District RP	1RP-2792
Facility ID	
Application ID	

Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release?	_____ (ft bgs)
Did this release impact groundwater or surface water?	☐ Yes ☐ No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	☐ Yes ☐ No
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	☐ Yes ☐ No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	☐ Yes ☐ No
Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?	☐ Yes ☐ No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	☐ Yes ☐ No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	☐ Yes ☐ No
Are the lateral extents of the release within 300 feet of a wetland?	☐ Yes ☐ No
Are the lateral extents of the release overlying a subsurface mine?	☐ Yes ☐ No
Are the lateral extents of the release overlying an unstable area such as karst geology?	☐ Yes ☐ No
Are the lateral extents of the release within a 100-year floodplain?	☐ Yes ☐ No
Did the release impact areas **not** on an exploration, development, production, or storage site?	☐ Yes ☐ No

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Report Checklist: ***Each of the following items must be included in the report.***

- ☐ Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.
- ☐ Field data
- ☐ Data table of soil contaminant concentration data
- ☐ Depth to water determination
- ☐ Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release
- ☐ Boring or excavation logs
- ☐ Photographs including date and GIS information
- ☐ Topographic/Aerial maps
- ☐ Laboratory data including chain of custody

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

Form C-141
Page 4

State of New Mexico
Oil Conservation Division

Incident ID	NGRL1209340191
District RP	1RP-2792
Facility ID	
Application ID	

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Printed Name: _____ Title: _____

Signature: _____ Date: _____

email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

Form C-141
Page 5

State of New Mexico
Oil Conservation Division

Incident ID	NGRL1209340191
District RP	1RP-2792
Facility ID	
Application ID	

Remediation Plan

Remediation Plan Checklist: ***Each of the following items must be included in the plan.***

- ☐ Detailed description of proposed remediation technique
- ☐ Scaled sitemap with GPS coordinates showing delineation points
- ☐ Estimated volume of material to be remediated
- ☐ Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC
- ☐ Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required)

Deferral Requests Only: ***Each of the following items must be confirmed as part of any request for deferral of remediation.***

☐ Contamination must be in areas immediately under or around production equipment where remediation could cause a major facility deconstruction.

☐ Extents of contamination must be fully delineated.

☐ Contamination does not cause an imminent risk to human health, the environment, or groundwater.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Printed Name: _____ Title: _____

Signature: _____ Date: _____

email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

☐ Approved ☐ Approved with Attached Conditions of Approval ☐ Denied ☐ Deferral Approved

Signature: _____ Date: _____

State of New Mexico
Oil Conservation Division

Incident ID	NGRL1209340191
District RP	1RP-2792
Facility ID	
Application ID	

Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: ***Each of the following items must be included in the closure report.***

☐ A scaled site and sampling diagram as described in 19.15.29.11 NMAC

☐ Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)

☑ Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)

☑ Description of remediation activities

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: Chase Settle Title: Rep Safety & Environmental Sr

Signature: Chase Settle Date: 01/31/2022

email: Chase_Settle@eogresources.com Telephone: 575-748-1471

OCD Only

Received by: _____ Date: _____

Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by: Jennifer Nobui Date: 03/24/2022

Printed Name: Jennifer Nobui Title: Environmental Specialist A

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

HOBBS OCD
AUG 0 2 2011
RECEIVED

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-141
Revised October 10, 2003

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

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	OGRID Number	Contact
Yates Petroleum Corporation	25575	Jeremy Haass
Address		Telephone No.
104 S. 4TH Street		575-748-1471
Facility Name	API Number	Facility Type
Merlo State Unit #3	30-025-37545	Well

Surface Owner	Mineral Owner	Lease No.
State	State	VA-1944

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
p	14	10S	34E	990	South	990	East	Lea

Latitude 33.44253 Longitude 103.42887

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered
Crude Oil & Produced Water	45 B/O 10 B/PW	30 B/O
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Heater Treater	7/18/2011 AM	7/18/2011 AM
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Maxey Brown, NMOCD	
By Whom? Robert Asher, Yates Petroleum Corporation	Date and Hour 7/19/2011 AM (email)	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse N/A	

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
Hole in the Fire Tube in the North Heater Treater Isolated Heater Treater.

Describe Area Affected and Cleanup Action Taken *
An approximate area of 110' X 10', all on well pad. Vacuum truck called to pick up remaining oil, impacted soils to be scraped up and taken to an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL's a work plan will be submitted **Depth to Ground Water: 50-99' (approximately 50', Section 14-T10S-R34E, per New Mexico Chevron Texaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10.**

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature:	OIL CONSERVATION DIVISION
Printed Name Jeremy Haass	Approved by District Supervisor: 4/02/12 Accepted for Record Only
Title Environmental Regulatory Agent	Approval Date: / Expiration Date
E-mail Address jhaass@yatespetroleum.com	Conditions of Approval: / Attached ☐
Date Friday, July 29, 2011 Phone: 575-748-1471	2RP- / IRP-4-12-2792

* Attach Additional Sheets If Necessary

APR 0 2 2012

Bob Asher

From: Bob Asher
Sent: Monday, October 13, 2014 1:58 PM
To: (tomas.oberding@state.nm.us)
Subject: Closure Request (Merle State Unit #3)
Attachments: Merle State Unit 3 Final.zip

Doc,

Attached, please find the Final C-141, submitted 1/25/2012 with enclosed sample diagram and analytical results. Impacted soils were excavated and delineation samples taken, based on that the Final C-141, and supporting documentation was submitted. Verbal approval to backfill was granted by Geoff Leking on or around 2/17/2012 but only the Initial C-141 was scanned on OCD Online. The RP Number assigned to this release was 1RP-2792.

Thank you for your time reviewing these documents and if there is anyhing further you need, please contact me.

Robert Asher
NM Environmental Regulatory Supervisor
Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210
575-748-4217 (Office)
575-365-4021 (Cell)

Jeremy Haass

From: Jeremy Haass
Sent: Monday, March 04, 2013 2:24 PM
To: Geoffery Leking (geoffreyr.leking@state.nm.us)
Cc: Bob Asher; Katie Parker; Lisa Norton; E. L. Gonzales (elidiol.gonzales@state.nm.us)
Subject: OCD Online Signed Final C-141s

Mr. Leking this email is in response to the fact that I have just checked OCD online and cannot find signed Final C-141s for the following releases. This could very well be my own fault. If they are already online could you tell me how to find and retrieve the PDFs, it would be greatly appreciated.

Lotus 'ALT' State #3	API # 30-025-36005	Closure report hand delivered on [redacted]
Merle State Unit #3	API # 30-025-37545	Closure report emailed on [redacted]
Messina 'BHM' Com #1	API # 30-025-37468	Closure report emailed on [redacted]

I realize that you are a very busy man, but I am in urgent need to close the above releases. Thank you for your time and looking forward to your response.

Jeremy Haass
New Mexico Air Permit Specialist
Yates Petroleum Corporation
Office: (575) 748-4311
Fax: (575) 748-4131
Cell: (575 513-9235

Jeremy Haass

From: Jeremy Haass
Sent: Monday, April 22, 2013 10:29 AM
To: Geoffery Leking (geoffreyr.leking@state.nm.us)
Cc: Bob Asher; Katie Parker
Subject: Hobbs Spill Status

Geoffery this is just an email confirming that we just spoke over the phone concerning the status of the following spills.

Sombrero 'MS' State #1
Lotus 'ALT' Unit #3
Merle State Unit #3
Messina 'BHM' Com #1

Thanks for your time I know you are swamped.

Jeremy Haass
New Mexico Air Permit Specialist
Yates Petroleum Corporation
Office: (575) 748-4311
Fax: (575) 748-4131
Cell: (575 513-9235

Jeremy Haass

From: Leking, Geoffrey R, EMNRD <GeoffreyR.Leking@state.nm.us>
Sent: Friday, February 17, 2012 9:32 AM
To: Jeremy Haass
Subject: RE: Lea County Spills

Jeremy

1) Messina – Go ahead and back fill
2) Lotus State #3 – Define vertical extent of chlorides. Remove or clay line. This is what we are doing at other projects even when ground water is over 300 feet deep.
3) Red Hat - Define vertical extent of chlorides. Remove or clay line. This is what we are doing at other projects even when ground water is over 300 feet deep.
4) Merle State #3 – It was already agreed that this site could be backfilled.

Let me know if you have any further questions. Thank you.

Geoffrey Leking
Environmental Specialist
NMOCD-Hobbs
1625 N. French Drive
Hobbs, NM 88240
Office: (575) 393-6161 Ext. 113
Cell: (575) 399-2990
email: geoffreyr.leking@state.nm.us

From: Jeremy Haass [mailto:Jhaass@yatespetroleum.com]
Sent: Tuesday, February 14, 2012 3:05 PM
To: Leking, Geoffrey R, EMNRD
Subject: RE: Lea County Spills

I'm checking back in on the approvals I'm waiting for. Thanks for your time.

From: Leking, Geoffrey R, EMNRD [mailto:GeoffreyR.Leking@state.nm.us]
Sent: Monday, February 06, 2012 8:56 AM
To: Jeremy Haass
Subject: RE: Lea County Spills

Jeremy

I'll have something for you on Wednesday. Sorry for the wait. Thank you.

Geoffrey Leking
Environmental Specialist
NMOCD-Hobbs
1625 N. French Drive
Hobbs, NM 88240

Office: (575) 393-6161 Ext. 113
Cell: (575) 399-2990
email: geoffreyr.leking@state.nm.us

From: Jeremy Haass [mailto:Jhaass@yatespetroleum.com]
Sent: Monday, February 06, 2012 8:45 AM
To: Leking, Geoffrey R, EMNRD
Subject: Lea County Spills

Hey Geoffery just checking in on the spills that we met over. I have Production all over me to get the excavations closed on these because of the hazard to the pumpers. Looking forward to hearing from you as soon as possible so I can take care of these locations. The following list is all the locations we discussed during our meeting at your office.

Merle State Unit #3
Messina 'BHM' Com #1
Lotus 'ALT' State #3
Red Hat State SWD #1

Thank you!!!

Jeremy Haass
Environmental Regulatory Agent
Yates Petroleum Corp.
105 South 4th St.
Artesia New Mexico
575-748-4311 (Office)
575-513-9235 (Cell)
575-748-4131 (Fax)

Jeremy Haass

From: Leking, Geoffrey R, EMNRD <GeoffreyR.Leking@state.nm.us>
Sent: Friday, December 09, 2011 11:35 AM
To: Jeremy Haass
Subject: RE: Lea County Spills

Jeremy

Comparison of the Lotus 'ALT" State #3 site to other sites of a similar nature indicate that:

Delineation of chlorides should be performed until the 250 ppm threshold is reached.
Remediate chloride contamination to between 1000 and 2000 ppm .

Comparison of the Merle State Unit #3 to other sites of a similar nature indicate that:

Due to the shallow depth of ground water, contamination should be delineated and remediated to 100 ppm of Total GRO and DRO TPH.

I am still working on the Red Hat.

Please contact me if you have any questions.

Thank you.

Geoffrey Leking
Environmental Specialist
NMOCD-Hobbs
1625 N. French Drive
Hobbs, NM 88240
Office: (575) 393-6161 Ext. 113
Cell: (575) 399-2990
email: geoffreyr.leking@state.nm.us

From: Jeremy Haass [mailto:Jhaass@yatespetroleum.com]
Sent: Monday, October 31, 2011 9:39 AM
To: Leking, Geoffrey R, EMNRD
Cc: Bob Asher; Jerry Fanning
Subject: Lea County Spills

Geoffrey,

I'm checking in on the status of the following wells.

Red Hat State SWD #1 - Mailed Initial C-141 to Maxey Brown on 7/11/11
API # 30-025-31110 Emailed Maxey Brown a request for closure on 9/1/11

Lotus 'ALT' State #3 - Mailed Initial C-141 to Maxey Brown on 8/18/11
API # 30-025-36005 Hand delivered a request for closure on 10/12/11

Merle State Unit #3 - Mailed Initial C-141 to Maxey Brown on 8/1/11
API # 30-025-37545 Emailed you a request for closure on 10/24/11

I know that the Hobbs OCD is extremely over loaded with work and I understand it takes awhile for this process to unfold. The reason I'm checking in on these releases is because all three releases happened on location and the excavation sites affect the work area and impose a safety risk for Yates employees.

Thanks for your time I look forward to hearing from you.

Jeremy Haass
Environmental Regulatory Agent
Yates Petroleum Corp.
105 South 4th St.
Artesia New Mexico
575-748-4311 (Office)
575-513-9235 (Cell)
575-748-4131 (Fax)

Jeremy Haass

From: Jeremy Haass
Sent: Friday, October 21, 2011 11:53 AM
To: 'Leking, Geoffrey R, EMNRD'
Cc: Bob Asher; Jerry Fanning
Subject: Requesting Closure for Merle State Unit #3

Geoffrey,

Attached are all analytical reports, a diagram of the spill with a break down of the results, and the C-141 Final requesting closure for the Merle State Unit #3. Based on the amount of oil recovered and all impacted soils having been dug up and hauled to an NMOCD approved facility, and the attached analytical results Yates Petroleum is requesting closure. With the spill encompassing the wellhead and the dig area being 3' deep for safety reasons I would appreciate it if I could get a quick response on this email so I can close the excavation site.

Thank you

Jeremy Haass
Environmental Regulatory Agent
Yates Petroleum Corp.
105 South 4th St.
Artesia New Mexico
575-748-4311 (Office)
575-513-9235 (Cell)
575-748-4131 (Fax)

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1000 Rio Brazos Road, Aztec, NM 87410
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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

Form C-141
Revised October 10, 2003

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

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Jeremy Haass
Address 104 S. 4TH Street		Telephone No. 575-748-1471
Facility Name Merle State Unit #3	API Number 30-025-37545	Facility Type Well

Surface Owner State	Mineral Owner State	Lease No. VA-1944

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
p	14	10S	34E	990	South	990	East	Lea

Latitude 33.44253 Longitude 103.42887

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release 45 B/O 10 B/PW	Volume Recovered 30 B/O
Source of Release Heater Treater	Date and Hour of Occurrence 7/18/2011 AM	Date and Hour of Discovery 7/18/2011 AM
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Maxey Brown, NMOCD	
By Whom? Robert Asher, Yates Petroleum Corporation	Date and Hour 7/19/2011 AM (email)	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.*
N/A

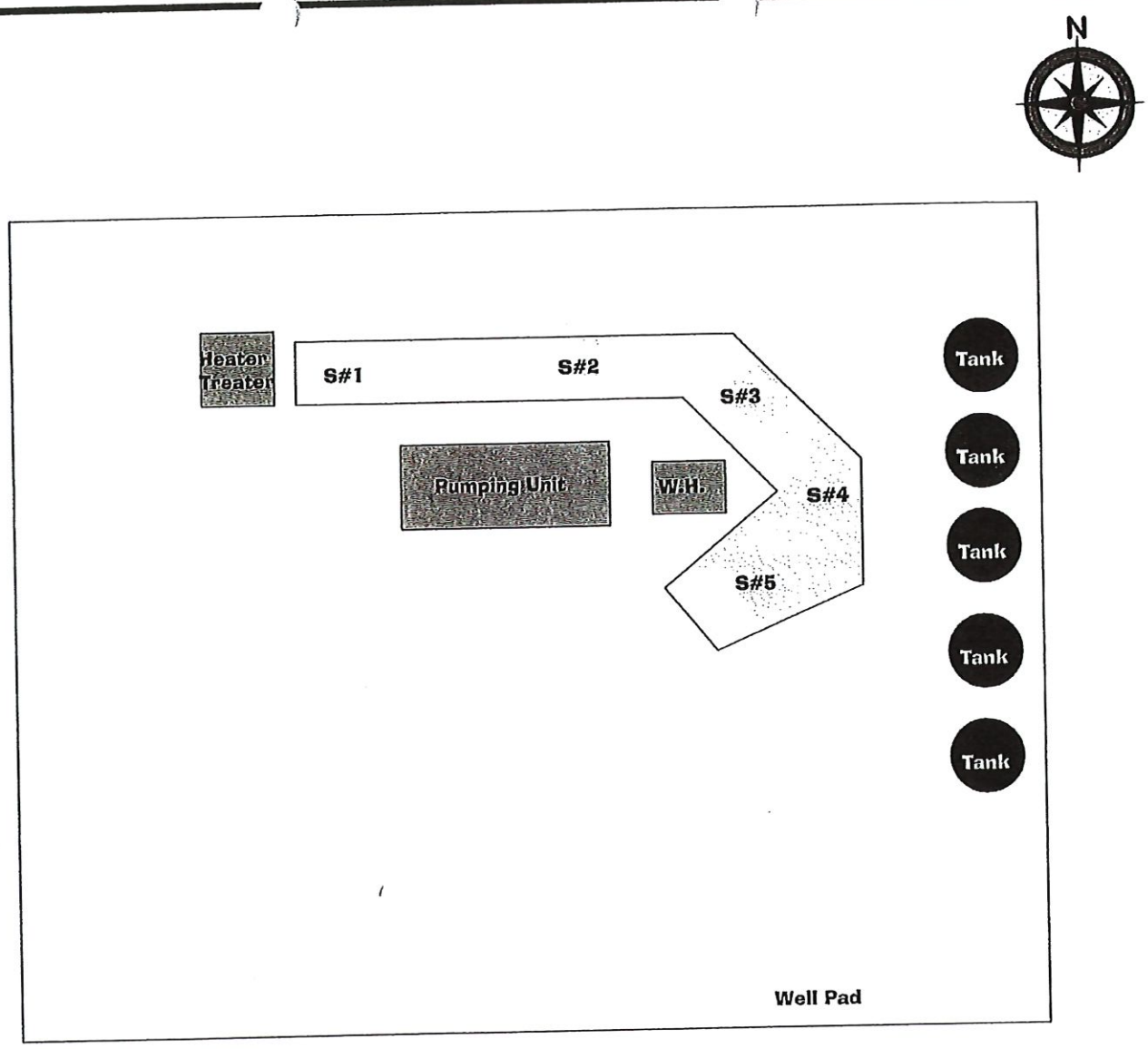
Describe Cause of Problem and Remedial Action Taken.*
Hole in the Fire Tube in the North Heater Treater. Isolated Heater Treater.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 110' X 10', all on well pad. Vacuum truck called to pick up remaining oil, impacted soils to be scraped up and taken to an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX, also Chloride delineation/results in soils are enclosed for documentation. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. **Depth to Ground Water: 50-99' (approximately 50', Section 14-T10S-R34E, per New Mexico Chevron Texaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. Based on recovered amounts of oil, impacted soils excavated/hauled and enclosed analytical results, Yates Petroleum Corporation requests closure.**

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature:	OIL CONSERVATION DIVISION
Printed Name: Jeremy Haass	Approved by District Supervisor:
Title: Environmental Regulatory Agent	Approval Date: / Expiration Date:
E-mail Address: jhaass@yatespetroleum.com	Conditions of Approval: / Attached ☐
Date: Friday, October 21, 2011 Phone: 575-748-1471	2RP-

* Attach Additional Sheets If Necessary



YATES PETROLEUM CORPORATION	Merle State Unit #3 30-025-37545 Section 14, T10S-R34E Lea County, NM	SAMPLE DIAGRAM(Not to Scale) Xenco Laboratories# 426801 & 426802 Report Date: 9/08/2011 Prepared by Jeremy Haass Environmental Regulatory Agent

Analytical Report- 429365 & 429366	Sample Date	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Sample #2	10/6/2011	3'	.00236	ND	147	147	ND
Sample #3	10/6/2011	3'	ND	ND	60.9	60.9	ND
Sample #4	10/6/2011	3'	ND	ND	ND	ND	20.2
Sample #5	10/6/2011	3'	ND	ND	301	301	44.9

Site Ranking is Zero (10). Depth to Ground Water <100' (approx. 50', per Trend Map).

All results are ppm.Chlorides for documentation. S **- Sample Points**

Released: 10 B/PW & 45 B/O; Recovered: 0 B/PW & 30 B/O. Release Date: 7/18/2011

Analytical Report-426801 & 426802	Sample Date	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Sample #1	8/23/2011	1'	.0131	ND	407	407	46.3
Sample #2	8/23/2011	1'	.0587	103	2040	2140	ND
Sample #3	8/23/2011	1'	.117	150	4140	4290	41.8
Sample #4	8/23/2011	1'	.00608	20.9	1280	1300	427
Sample #5	8/23/2011	1'	.00671	17.9	1090	1110	3590

Site Ranking is Zero (10). Depth to Ground Water <100' (approx. 50', per Trend Map).

All results are ppm.Chlorides for documentation. S - **Sample Points**

Released: 10 B/PW & 45 B/O; Recovered: 0 B/PW & 30 B/O. Release Date: 7/18/2011

Analytical Report 429366

for

Yates Petroleum Corporation

Project Manager: Jeremy Haass

Merle State Unit # 3

30-025-37545

19-OCT-11

Collected By: Client

XENCO Laboratories

Celebrating 20 Years of commitment to excellence in Environmental Testing Services

12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):
Texas (T104704215-10-6-TX), Arizona (AZ0765), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):
Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)
Xenco-Tampa Mobile (EPA Lab code: FL01212): Florida (E84900)
Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-TX)
Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-TX)
Xenco Phoenix (EPA Lab Code: AZ00901): Arizona(AZ0757)
Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)
Xenco Tucson (EPA Lab code:AZ000989): Arizona (AZ0758)

XENCO Laboratories

19-OCT-11

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

Reference: XENCO Report No: **429366**
Merle State Unit # 3
Project Address: Lea County

Jeremy Haass:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 429366. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

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

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 429366 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

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

Respectfully,

Brent Barron II
Odessa Laboratory Manager

Recipient of the Prestigious Small Business Administration Award of Excellence in 1994.
Certified and approved by numerous States and Agencies.
A Small Business and Minority Status Company that delivers SERVICE and QUALITY
Houston - Dallas - San Antonio - Austin - Tampa - Miami - Atlanta - Corpus Christi - Latin America

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XENCO Laboratories

Sample Cross Reference 429366

Yates Petroleum Corporation, Artesia, NM

Merle State Unit # 3

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
Sample # 2	S	10-06-11 09:45	3 - 3 ft	429366-001
Sample # 3	S	10-06-11 10:00	3 - 3 ft	429366-002
Sample # 4	S	10-06-11 10:15	3 - 3 ft	429366-003
Sample # 5	S	10-06-11 10:30	3 - 3 ft	429366-004

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CASE NARRATIVE

XENCO Laboratories

Client Name: Yates Petroleum Corporation
Project Name: Merle State Unit # 3

Project ID: 30-025-37545
Work Order Number: 429366

Report Date: 19-OCT-11
Date Received: 10/12/2011

Sample receipt non conformances and comments:

None

Sample receipt non conformances and comments per sample:

None

Final 1.000

XENCO Laboratories

Certificate of Analysis Summary 429366

Yates Petroleum Corporation, Artesia, NM

Project Name: Merle State Unit # 3

Project Id: 30-025-37545
Contact: Jeremy Haass
Project Location: Lea County

Date Received in Lab: Wed Oct-12-11 12:00 pm
Report Date: 19-OCT-11
Project Manager: Brent Barron II

Analysis Requested	*Lab Id:*	429366-001		429366-002		429366-003		429366-004			
	Field Id:	Sample # 2		Sample # 3		Sample # 4		Sample # 5			
	Depth:	3-3 ft		3-3 ft		3-3 ft		3-3 ft			
	Matrix:	SOIL		SOIL		SOIL		SOIL			
	Sampled:	Oct-06-11 09:45		Oct-06-11 10:00		Oct-06-11 10:15		Oct-06-11 10:30			
Anions by E300	*Extracted:*										
	Analyzed:	Oct-13-11 18:03		Oct-13-11 18:03		Oct-13-11 18:03		Oct-13-11 18:03			
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL		
Chloride		ND	4.30	ND	4.29	20.2	4.30	44.9	4.34		
Percent Moisture	*Extracted:*										
	Analyzed:	Oct-12-11 13:40		Oct-12-11 13:40		Oct-12-11 13:40		Oct-12-11 13:40			
	Units/RL:	%	RL	%	RL	%	RL	%	RL		
Percent Moisture		2.29	1.00	2.14	1.00	2.32	1.00	3.19	1.00		

Houston - Dallas - San Antonio - Atlanta - Tampa - Boca Raton - Latin America - Odessa - Corpus Christi

Brent Barron II
Odessa Laboratory Manager

Final 1.000

XENCO Laboratories

Flagging Criteria

X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to affect the recovery of the spike concentration. This condition could also affect the relative percent difference in the MS/MSD.

B A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.

D The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.

E The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.

F RPD exceeded lab control limits.

J The target analyte was positively identified below the quantiation limit and above the detection limit.

U Analyte was not detected.

L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.

H The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.

K Sample analyzed outside of recommended hold time.

JN A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

BRL Below Reporting Limit.

RL Reporting Limit

MDL Method Detection Limit **SDL** Sample Detection Limit **LOD** Limit of Detection

PQL Practical Quantitation Limit **MQL** Method Quantitation Limit **LOQ** Limit of Quantitation

DL Method Detection Limit

NC Non-Calculable

+ Outside XENCO's scope of NELAC Accreditation.

XENCO Laboratories

BS / BSD Recoveries

Project Name: Merle State Unit # 3

Work Order #: 429366
Analyst: BRB
Lab Batch ID: 872301
Sample: 872301-1-BKS
Units: mg/kg

Date Prepared: 10/13/2011
Batch #: 1

Project ID: 30-025-37545
Date Analyzed: 10/13/2011
Matrix: Solid

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

Anions by E300 Analytes	Blank Sample Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Spike Added [E]	Blank Spike Duplicate Result [F]	Blk. Spk Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
Chloride	<0.840	20.0	22.1	111	20.0	22.1	111	0	75-125	20	

Relative Percent Difference RPD = 200*|(C-F)/(C+F)|
Blank Spike Recovery [D] = 100*(C)/[B]
Blank Spike Duplicate Recovery [G] = 100*(F)/[E]
All results are based on MDL and Validated for QC Purposes

Form 3 - MS Recoveries

Project Name: Merle State Unit # 3

XENCO Laboratories

Project ID: 30-025-37545

Work Order #: 429366

Lab Batch #: 872301

Date Analyzed: 10/13/2011

QC- Sample ID: 429429-005 S

Reporting Units: mg/kg

Date Prepared: 10/13/2011

Analyst: BRB

Batch #: 1

Matrix: Soil

Inorganic Anions by EPA 300	MATRIX / MATRIX SPIKE RECOVERY STUDY					
Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Chloride	8.66	100	107	98	75-125	

Lab Batch #: 872301

Date Analyzed: 10/13/2011

QC- Sample ID: 429439-001 S

Reporting Units: mg/kg

Date Prepared: 10/13/2011

Analyst: BRB

Batch #: 1

Matrix: Soil

Inorganic Anions by EPA 300	MATRIX / MATRIX SPIKE RECOVERY STUDY					
Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Chloride	36.7	110	149	102	75-125	

Matrix Spike Percent Recovery [D] = 100*(C-A)/B

Relative Percent Difference [E] = 200*(C-A)/(C+B)

All Results are based on MDL and Validated for QC Purposes

BRL - Below Reporting Limit

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Form 2 - Surrogate Recoveries

Project Name: Merle State Unit # 3

Work Orders : 429365,

Project ID: 30-025-37545

Lab Batch #: 872640 **Sample:** 612867-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 10/12/11 16:12

TPH By SW8015B Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	80.8	100	81	70-135	
o-Terphenyl	41.3	50.0	83	70-135	

Lab Batch #: 872281 **Sample:** 612661-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 10/13/11 11:09

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0290	0.0300	97	80-120	
4-Bromofluorobenzene	0.0278	0.0300	93	80-120	

Lab Batch #: 872640 **Sample:** 612867-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 10/12/11 16:37

TPH By SW8015B Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	76.3	100	76	70-135	
o-Terphenyl	38.0	50.0	76	70-135	

Lab Batch #: 872281 **Sample:** 612661-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 10/13/11 11:33

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0285	0.0300	95	80-120	
4-Bromofluorobenzene	0.0281	0.0300	94	80-120	

* Surrogate outside of Laboratory QC limits
** Surrogates outside limits; data and surrogates confirmed by reanalysis
*** Poor recoveries due to dilution
Surrogate Recovery [D] = 100 * A / B
All results are based on MDL and validated for QC purposes.

Final 1.000

XENCO Laboratories

BS / BSD Recoveries

Project Name: Merle State Unit # 3

Work Order #: 429365 **Project ID:** 30-025-37545

Analyst: ASA **Date Prepared:** 10/13/2011 **Date Analyzed:** 10/13/2011

Lab Batch ID: 872281 **Sample:** 612661-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

BTEX by EPA 8021B Analytes	Blank Sample Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Spike Added [E]	Blank Spike Duplicate Result [F]	Blk. Spk Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
Benzene	<0.00100	0.100	0.110	110	0.100	0.105	105	5	70-130	35	
Toluene	<0.00200	0.100	0.112	112	0.100	0.107	107	5	70-130	35	
Ethylbenzene	<0.00100	0.100	0.117	117	0.100	0.111	111	5	71-129	35	
m_p-Xylenes	<0.00200	0.200	0.236	118	0.200	0.224	112	5	70-135	35	
o-Xylene	<0.00100	0.100	0.117	117	0.100	0.112	112	4	71-133	35	

Analyst: BBH **Date Prepared:** 10/12/2011 **Date Analyzed:** 10/12/2011

Lab Batch ID: 872640 **Sample:** 612867-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

TPH By SW8015B Mod Analytes	Blank Sample Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Spike Added [E]	Blank Spike Duplicate Result [F]	Blk. Spk Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
C6-C10 Gasoline Range Hydrocarbons	<15.0	1000	730	73	1000	707	71	3	70-135	35	
C10-C28 Diesel Range Hydrocarbons	<15.0	1000	873	87	1000	791	79	10	70-135	35	

Relative Percent Difference RPD = 200*|(C-F)/(C+F)|
Blank Spike Recovery [D] = 100*(C)/[B]
Blank Spike Duplicate Recovery [G] = 100*(F)/[E]
All results are based on MDL and Validated for QC Purposes

XENCO Laboratories

Sample Duplicate Recovery

Project Name: Merle State Unit # 3

Work Order #: 429365

Lab Batch #: 872210 **Project ID:** 30-025-37545

Date Analyzed: 10/12/2011 13:40 **Date Prepared:** 10/12/2011 **Analyst:** BRB

QC- Sample ID: 429365-001 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: %

Percent Moisture	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	2.29	2.25	2	20	

Spike Relative Difference RPD 200 * | (B-A)/(B+A) |
All Results are based on MDL and validated for QC purposes.
BRL - Below Reporting Limit

Final 1.000

XENCO-Environmental Lab of Texas

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax: 432-563-1713

Project Manager: Jeremy Haass

Company Name: Yates Petroleum Corporation

Company Address: 105 South 4th Street

City/State/Zip: Artesia, NM 88210

Telephone No: 575-748-4311 Fax No:

Sampler Signature: e-mail: jhaass@yatespetroleum.com

Project Name: Merle State Unit #3

Project #: 30-025-37545

Project Loc: Lea County

PO #: 103-2636

Report Format: [X] Standard [ ] TRRP [ ] NPDES

(lab use only) ORDER #: 429365 / 429366

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total #. of Containers	Preservation & # of Containers: Ice	HNO3	HCl	H2SO4	NaOH	Na2S2O3	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge GW = Groundwater S=Soil/Solid NP=Non-Potable Specify Other	Analyze For: TPH: 418.1 8015M	TPH: TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N.O.R.M.	Chlorides	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	Sample #2	3'	3'	10/6/2011	9:45am			X								S	X							X			X		X
02	Sample #3	3'	3'	10/6/2011	10:00am			X								S	X							X			X		X
03	Sample #4	3'	3'	10/6/2011	10:15am			X								S	X							X			X		X
04	Sample #5	3'	3'	10/6/2011	10:30am			X								S	X							X			X		X
	PLEASE PUT CHLORIDES ON SEPARATE REPORT																												

Special Instructions: TPH: 8015B, BTEX: 8021B & Chlorides. Please show BTEX results as mg/kg. Thank you.

Relinquished by:	Date	Time	Received by:	Date	Time
	10/11/11	10:52 AM			
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by: Fedex	Date	Time	Received by ELOT: Bill Rubman	10-12-11	12:00

Laboratory Comments:

Sample Containers Intact?	Y	N
VOCs Free of Headspace?	Y	N
Labels on container(s)	Y	N
Custody seals on container(s)	Y	N
Custody seals on cooler(s)	Y	N
Sample Hand Delivered	X	N
by Sampler/Client Rep. ?		N
by Courier? UPS DHL FedEx Lone Star		

Temperature Upon Receipt: 5.1 °C

XENCO Laboratories

XENCO Laboratories
Atlanta, Boca Raton, Corpus Christi, Dallas
Houston, Miami, Odessa, Philadelphia
Phoenix, San Antonio, Tampa

Document Title: Sample Receipt Checklist
Document No.: SYS-SRC
Revision/Date: No. 01, 5/27/2010
Effective Date: 6/1/2010 Page 1 of 1

Prelogin / Nonconformance Report - Sample Log-In

Client: Yates Petroleum
Date/Time: 10.12.11 12:00
Lab ID #: 429565 / 429366
Initials: WR / AE

Sample Receipt Checklist

1. Samples on ice?	Blue	(Water)	No	
2. Shipping container in good condition?	(Yes)	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	(Yes)	No	N/A	
4. Chain of Custody present?	(Yes)	No		
5. Sample instructions complete on chain of custody?	(Yes)	No		
6. Any missing / extra samples?	Yes	(No)		
7. Chain of custody signed when relinquished / received?	Yes	No	*	
8. Chain of custody agrees with sample label(s)?	(Yes)	No		
9. Container labels legible and intact?	(Yes)	No		
10. Sample matrix / properties agree with chain of custody?	(Yes)	No		
11. Samples in proper container / bottle?	(Yes)	No		
12. Samples properly preserved?	(Yes)	No	N/A	
13. Sample container intact?	(Yes)	No		
14. Sufficient sample amount for indicated test(s)?	(Yes)	No		
15. All samples received within sufficient hold time?	(Yes)	No		
16. Subcontract of sample(s)?	Yes	No	(N/A)	
17. VOC sample have zero head space?	(Yes)	No	N/A	

18. Cooler 1 No.		Cooler 2 No.		Cooler 3 No.		Cooler 4 No.		Cooler 5 No.	
lbs	5.1 °C	lbs	°C	lbs	°C	lbs	°C	lbs	°C

Nonconformance Documentation

Contact: _____ Contacted by: _____ Date/Time: _____

Regarding: Client did not sign relinquishing samples.

Corrective Action Taken: _____

Check all that apply:
- ☐ Cooling process has begun shortly after sampling event and out of temperature condition acceptable by NELAC 5.5.8.3.1.a.1.
- ☐ Initial and Backup Temperature confirm out of temperature conditions
- ☐ Client understands and would like to proceed with analysis

Final 1.000

Analytical Report 429365

for

Yates Petroleum Corporation

Project Manager: Jeremy Haass

Merle State Unit # 3

30-025-37545

19-OCT-11

Collected By: Client

XENCO Laboratories

Celebrating 20 Years of commitment to excellence in Environmental Testing Services

12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):
Texas (T104704215-10-6-TX), Arizona (AZ0765), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):
Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)
Xenco-Tampa Mobile (EPA Lab code: FL01212): Florida (E84900)
Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-TX)
Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-TX)
Xenco Phoenix (EPA Lab Code: AZ00901): Arizona(AZ0757)
Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)
Xenco Tucson (EPA Lab code:AZ000989): Arizona (AZ0758)

XENCO Laboratories

19-OCT-11

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

Reference: XENCO Report No: **429365**
Merle State Unit # 3
Project Address: Lea County

Jeremy Haass:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 429365. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

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

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 429365 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

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

Respectfully,

Brent Barron II
Odessa Laboratory Manager

Recipient of the Prestigious Small Business Administration Award of Excellence in 1994.
Certified and approved by numerous States and Agencies.
A Small Business and Minority Status Company that delivers SERVICE and QUALITY
Houston - Dallas - San Antonio - Austin - Tampa - Miami - Atlanta - Corpus Christi - Latin America

XENCO Laboratories

Sample Cross Reference 429365

Yates Petroleum Corporation, Artesia, NM

Merle State Unit # 3

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
Sample # 2	S	10-06-11 09:45	3 - 3 ft	429365-001
Sample # 3	S	10-06-11 10:00	3 - 3 ft	429365-002
Sample # 4	S	10-06-11 10:15	3 - 3 ft	429365-003
Sample # 5	S	10-06-11 10:30	3 - 3 ft	429365-004

Final 1.000

CASE NARRATIVE

XENCO Laboratories

Client Name: Yates Petroleum Corporation
Project Name: Merle State Unit # 3

Project ID: 30-025-37545
Work Order Number: 429365

Report Date: 19-OCT-11
Date Received: 10/12/2011

Sample receipt non conformances and comments:

None

Sample receipt non conformances and comments per sample:

None

Analytical non nonformances and comments:

Batch: LBA-872640 TPH By SW8015B Mod
SW8015MOD_NM

Batch 872640, 1-Chlorooctane recovered below QC limits . Matrix interferences is suspected; data not confirmed by re-analysis
Samples affected are: 429365-004,429365-003.

XENCO Laboratories

Certificate of Analysis Summary 429365

Yates Petroleum Corporation, Artesia, NM

Project Name: Merle State Unit # 3

Project Id: 30-025-37545
Contact: Jeremy Haass
Project Location: Lea County

Date Received in Lab: Wed Oct-12-11 12:00 pm
Report Date: 19-OCT-11
Project Manager: Brent Barron II

Analysis Requested		Lab Id:	429365-001		429365-002		429365-003		429365-004			
		Field Id:	Sample # 2		Sample # 3		Sample # 4		Sample # 5			
		Depth:	3-3 ft		3-3 ft		3-3 ft		3-3 ft			
		Matrix:	SOIL		SOIL		SOIL		SOIL			
		Sampled:	Oct-06-11 09:45		Oct-06-11 10:00		Oct-06-11 10:15		Oct-06-11 10:30			
BTEX by EPA 8021B	Extracted:		Oct-13-11 10:33		Oct-13-11 10:33		Oct-13-11 10:33		Oct-13-11 10:33			
	Analyzed:		Oct-13-11 14:59		Oct-13-11 15:22		Oct-13-11 14:12		Oct-13-11 14:35			
	Units/RL:		mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL		
Benzene			0.00236	0.00102	ND	0.00102	ND	0.00102	ND	0.00104		
Toluene			ND	0.00204	ND	0.00203	ND	0.00204	ND	0.00208		
Ethylbenzene			ND	0.00102	ND	0.00102	ND	0.00102	ND	0.00104		
m_p-Xylenes			ND	0.00204	ND	0.00203	ND	0.00204	ND	0.00208		
o-Xylene			ND	0.00102	ND	0.00102	ND	0.00102	ND	0.00104		
Total Xylenes			ND	0.00102	ND	0.00102	ND	0.00102	ND	0.00104		
Total BTEX			0.00236	0.00102	ND	0.00102	ND	0.00102	ND	0.00104		
Percent Moisture	Extracted:											
	Analyzed:		Oct-12-11 13:40		Oct-12-11 13:40		Oct-12-11 13:40		Oct-12-11 13:40			
	Units/RL:		%	RL	%	RL	%	RL	%	RL		
Percent Moisture			2.29	1.00	2.14	1.00	2.32	1.00	3.19	1.00		
TPH By SW8015B Mod	Extracted:		Oct-12-11 13:00		Oct-12-11 13:00		Oct-12-11 13:00		Oct-12-11 13:00			
	Analyzed:		Oct-12-11 21:08		Oct-12-11 22:20		Oct-12-11 22:44		Oct-12-11 23:08			
	Units/RL:		mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL		
C6-C10 Gasoline Range Hydrocarbons			ND	15.4	ND	15.3	ND	15.4	ND	15.5		
C10-C28 Diesel Range Hydrocarbons			147	15.4	60.9	15.3	ND	15.4	301	15.5		
Total TPH			147	15.4	60.9	15.3	ND	15.4	301	15.5		

Houston - Dallas - San Antonio - Atlanta - Tampa - Boca Raton - Latin America - Odessa - Corpus Christi

Brent Barron II
Odessa Laboratory Manager

Final 1.000

XENCO Laboratories

Flagging Criteria

X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to affect the recovery of the spike concentration. This condition could also affect the relative percent difference in the MS/MSD.

B A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.

D The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.

E The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.

F RPD exceeded lab control limits.

J The target analyte was positively identified below the quantiation limit and above the detection limit.

U Analyte was not detected.

L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.

H The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.

K Sample analyzed outside of recommended hold time.

JN A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

BRL Below Reporting Limit.

RL Reporting Limit

MDL Method Detection Limit **SDL** Sample Detection Limit **LOD** Limit of Detection

PQL Practical Quantitation Limit **MQL** Method Quantitation Limit **LOQ** Limit of Quantitation

DL Method Detection Limit

NC Non-Calculable

+ Outside XENCO's scope of NELAC Accreditation.

XENCO Laboratories

Form 2 - Surrogate Recoveries

Project Name: Merle State Unit # 3

Work Orders : 429365,

Project ID: 30-025-37545

Lab Batch #: 872640 **Sample:** 429365-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 10/12/11 21:08

TPH By SW8015B Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	82.2	100	82	70-135	
o-Terphenyl	51.2	50.0	102	70-135	

Lab Batch #: 872640 **Sample:** 429365-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 10/12/11 22:20

TPH By SW8015B Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	86.9	100	87	70-135	
o-Terphenyl	53.8	50.0	108	70-135	

Lab Batch #: 872640 **Sample:** 429365-003 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 10/12/11 22:44

TPH By SW8015B Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	63.4	100	63	70-135	*
o-Terphenyl	41.1	50.0	82	70-135	

Lab Batch #: 872640 **Sample:** 429365-004 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 10/12/11 23:08

TPH By SW8015B Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	64.9	100	65	70-135	*
o-Terphenyl	42.7	50.0	85	70-135	

Lab Batch #: 872281 **Sample:** 429365-003 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 10/13/11 14:12

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0272	0.0300	91	80-120	
4-Bromofluorobenzene	0.0290	0.0300	97	80-120	

* Surrogate outside of Laboratory QC limits
** Surrogates outside limits; data and surrogates confirmed by reanalysis
*** Poor recoveries due to dilution
Surrogate Recovery [D] = 100 * A / B
All results are based on MDL and validated for QC purposes.

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XENCO Laboratories

Form 2 - Surrogate Recoveries

Project Name: Merle State Unit # 3

Work Orders : 429365,

Project ID: 30-025-37545

Lab Batch #: 872281 **Sample:** 429365-004 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 10/13/11 14:35

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0276	0.0300	92	80-120	
4-Bromofluorobenzene	0.0288	0.0300	96	80-120	

Lab Batch #: 872281 **Sample:** 429365-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 10/13/11 14:59

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0277	0.0300	92	80-120	
4-Bromofluorobenzene	0.0285	0.0300	95	80-120	

Lab Batch #: 872281 **Sample:** 429365-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 10/13/11 15:22

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0263	0.0300	88	80-120	
4-Bromofluorobenzene	0.0284	0.0300	95	80-120	

Lab Batch #: 872640 **Sample:** 612867-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 10/12/11 17:02

TPH By SW8015B Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	73.8	100	74	70-135	
o-Terphenyl	42.7	50.0	85	70-135	

Lab Batch #: 872281 **Sample:** 612661-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 10/13/11 12:41

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0293	0.0300	98	80-120	
4-Bromofluorobenzene	0.0309	0.0300	103	80-120	

* Surrogate outside of Laboratory QC limits
** Surrogates outside limits; data and surrogates confirmed by reanalysis
*** Poor recoveries due to dilution
Surrogate Recovery [D] = 100 * A / B
All results are based on MDL and validated for QC purposes.

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XENCO Laboratories

Sample Duplicate Recovery

Project Name: Merle State Unit # 3

Work Order #: 429366

Lab Batch #: 872301 **Project ID:** 30-025-37545

Date Analyzed: 10/13/2011 18:03 **Date Prepared:** 10/13/2011 **Analyst:** BRB

QC- Sample ID: 429439-001 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: mg/kg

Anions by E300	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Chloride	36.7	35.2	4	20	

Lab Batch #: 872210

Date Analyzed: 10/12/2011 13:40 **Date Prepared:** 10/12/2011 **Analyst:** BRB

QC- Sample ID: 429365-001 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: %

Percent Moisture	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	2.29	2.25	2	20	

Spike Relative Difference RPD 200 * | (B-A)/(B+A) |
All Results are based on MDL and validated for QC purposes.
BRL - Below Reporting Limit

Final 1.000

XENCO-Environmental Lab of Texas

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax: 432-563-1713

Project Manager: Jeremy Haass

Company Name: Yates Petroleum Corporation

Company Address: 105 South 4th Street

City/State/Zip: Artesia, NM 88210

Telephone No: 575-748-4311 Fax No:

Sampler Signature: e-mail: jhaass@yatespetroleum.com

Project Name: Merle State Unit #3

Project #: 30-025-37545

Project Loc: Lea County

PO #: 103-2636

Report Format: [x] Standard [ ] TRRP [ ] NPDES

(lab use only)
ORDER #: 429365 / 429366

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO_3	HCl	H_2SO_4	NaOH	$Na_2S_2O_3$	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge	GW = Groundwater S=Soil/Solid	NP=Non-Potable Specify Other	Analyze For: 8015B	TPH: 418.1 8015M	TPH: TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N.O.R.M.	Chlorides	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	Sample #2	3'	3'	10/6/2011	9:45am			X								S			X									X			X		X
02	Sample #3	3'	3'	10/6/2011	10:00am			X								S			X									X			X		X
03	Sample #4	3'	3'	10/6/2011	10:15am			X								S			X									X			X		X
04	Sample #5	3'	3'	10/6/2011	10:30am			X								S			X									X			X		X
	PLEASE PUT CHLORIDES ON SEPARATE REPORT																																

Special Instructions: TPH: 8015B, BTEX: 8021B & Chlorides. Please show BTEX results as mg/kg. Thank you.

Relinquished by:	Date	Time	Received by:	Date	Time
	10/11/11	10:52 AM			
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by: Fedex	Date	Time	Received by ELOT: Bill Rushmore	Date 10-12-11	Time 12:00

Laboratory Comments:
Sample Containers Intact? Y N
VOCs Free of Headspace? Y N
Labels on container(s) Y N
Custody seals on container(s) Y N
Custody seals on cooler(s) Y N
Sample Hand Delivered by Sampler/Client Rep. ? Y N
by Courier? UPS DHL FedEx Lone Star

Temperature Upon Receipt: 5.1 °C

Page 10 of 11

Final 1.000

XENCO Laboratories	XENCO Laboratories Atlanta, Boca Raton, Corpus Christi, Dallas Houston, Miami, Odessa, Philadelphia Phoenix, San Antonio, Tampa	Document Title: Sample Receipt Checklist Document No.: SYS-SRC Revision/Date: No. 01, 5/27/2010 Effective Date: 6/1/2010 Page 1 of 1

Prelogin / Nonconformance Report - Sample Log-In

Client: Yates Petroleum
Date/Time: 10.12.11 12:00
Lab ID #: 429565 / 429366
Initials: WR / AE

Sample Receipt Checklist

1. Samples on ice?	Blue	(Water)	No	
2. Shipping container in good condition?	(Yes)	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	(Yes)	No	N/A	
4. Chain of Custody present?	(Yes)	No		
5. Sample instructions complete on chain of custody?	(Yes)	No		
6. Any missing / extra samples?	Yes	(No)		
7. Chain of custody signed when relinquished / received?	Yes	No		
8. Chain of custody agrees with sample label(s)?	(Yes)	No		
9. Container labels legible and intact?	(Yes)	No		
10. Sample matrix / properties agree with chain of custody?	(Yes)	No		
11. Samples in proper container / bottle?	(Yes)	No		
12. Samples properly preserved?	(Yes)	No	N/A	
13. Sample container intact?	(Yes)	No		
14. Sufficient sample amount for indicated test(s)?	(Yes)	No		
15. All samples received within sufficient hold time?	(Yes)	No		
16. Subcontract of sample(s)?	Yes	No	(N/A)	
17. VOC sample have zero head space?	(Yes)	No	N/A	

18. Cooler 1 No.		Cooler 2 No.		Cooler 3 No.		Cooler 4 No.		Cooler 5 No.	
lbs	5.1 °C	lbs	°C	lbs	°C	lbs	°C	lbs	°C

Nonconformance Documentation

Contact: _____ Contacted by: _____ Date/Time: _____

Regarding: Client did not sign relinquishing samples.

Corrective Action Taken: _____

Check all that apply:
- ☐ Cooling process has begun shortly after sampling event and out of temperature condition acceptable by NELAC 5.5.8.3.1.a.1.
- ☐ Initial and Backup Temperature confirm out of temperature conditions
- ☐ Client understands and would like to proceed with analysis

Analytical Report 426801

for

Yates Petroleum Corporation

Project Manager: Jeremy Haass

Merle 'BOG' State #3

30-025-37545

08-SEP-11

Collected By: Client

XENCO Laboratories

Celebrating 20 Years of commitment to excellence in Environmental Testing Services

12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):
Texas (T104704215-10-6-TX), Arizona (AZ0765), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):
Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)
Xenco-Tampa Mobile (EPA Lab code: FL01212): Florida (E84900)
Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-TX)
Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-TX)
Xenco Phoenix (EPA Lab Code: AZ00901): Arizona(AZ0757)
Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)
Xenco Tucson (EPA Lab code:AZ000989): Arizona (AZ0758)

XENCO Laboratories

08-SEP-11

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

Reference: XENCO Report No: **426801**
Merle 'BOG' State #3
Project Address: Lea

Jeremy Haass:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 426801. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

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

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 426801 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

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

Respectfully,

Brent Barron II
Odessa Laboratory Manager

Recipient of the Prestigious Small Business Administration Award of Excellence in 1994.
Certified and approved by numerous States and Agencies.
A Small Business and Minority Status Company that delivers SERVICE and QUALITY
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XENCO Laboratories

Sample Cross Reference 426801

Yates Petroleum Corporation, Artesia, NM

Merle 'BOG' State #3

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
Sample #1	S	08-23-11 15:35	1 - 1 ft	426801-001
Sample #2	S	08-23-11 15:44	1 - 1 ft	426801-002
Sample #3	S	08-23-11 15:55	1 - 1 ft	426801-003
Sample #4	S	08-23-11 16:10	1 - 1 ft	426801-004
Sample #5	S	08-23-11 16:20	1 - 1 ft	426801-005

CASE NARRATIVE

Client Name: Yates Petroleum Corporation
Project Name: Merle 'BOG' State #3

Project ID:	*30-025-37545*	*Report Date:*	*08-SEP-11*
Work Order Number:	*426801*	*Date Received:*	*08/31/2011*

Sample receipt non conformances and comments:
None

Sample receipt non conformances and comments per sample:

None

Analytical non nonformances and comments:

Batch: LBA-869210 BTEX by EPA 8021B
SW8021BM

Batch 869210, Ethylbenzene, Toluene, m_p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.
Samples affected are: 426801-001, -002, -005, -004, -003.
The Laboratory Control Sample for Toluene, Ethylbenzene, m_p-Xylenes , o-Xylene is within laboratory Control Limits

SW8021BM

Batch 869210, 4-Bromofluorobenzene recovered above QC limits . Matrix interferences is suspected; data not confirmed by re-analysis
Samples affected are: 426801-003,426801-002.

Batch: LBA-869326 TPH By SW8015B Mod
SW8015B_NM

Batch 869326, C6-C10 Gasoline Range Hydrocarbons recovered below QC limits in the Blank Spike Duplicate however was within limits for the Blank Spike, therefore data is reported as is.
Samples affected are: 426704-005, -003, -001, -002, -004.

XENCO Laboratories

Certificate of Analysis Summary 426801

Yates Petroleum Corporation, Artesia, NM

Project Name: Merle 'BOG' State #3

Project Id: 30-025-37545
Contact: Jeremy Haass
Project Location: Lea

Date Received in Lab: Wed Aug-31-11 10:00 am
Report Date: 08-SEP-11
Project Manager: Brent Barron II

Analysis Requested												
	Lab Id:	426801-001		426801-002		426801-003		426801-004		426801-005		
	Field Id:	Sample #1		Sample #2		Sample #3		Sample #4		Sample #5		
	Depth:	1-1 ft		1-1 ft		1-1 ft		1-1 ft		1-1 ft		
	Matrix:	SOIL		SOIL		SOIL		SOIL		SOIL		
	Sampled:	Aug-23-11 15:35		Aug-23-11 15:44		Aug-23-11 15:55		Aug-23-11 16:10		Aug-23-11 16:20		
BTEX by EPA 8021B	*Extracted:*	Sep-02-11 12:00		Sep-02-11 12:00		Sep-02-11 12:00		Sep-02-11 12:00		Sep-02-11 12:00		
	Analyzed:	Sep-03-11 10:47		Sep-03-11 11:09		Sep-03-11 11:35		Sep-03-11 11:57		Sep-03-11 12:20		
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	
Benzene		ND	0.00100	ND	0.00100	ND	0.000992	ND	0.00101	ND	0.00101	
Toluene		ND	0.00200	ND	0.00201	0.00235	0.00198	ND	0.00201	ND	0.00202	
Ethylbenzene		0.00203	0.00100	0.00896	0.00100	0.0131	0.000992	0.00102	0.00101	0.00104	0.00101	
m_p-Xylenes		0.00475	0.00200	0.0274	0.00201	0.0429	0.00198	0.00223	0.00201	0.00326	0.00202	
o-Xylene		0.00627	0.00100	0.0223	0.00100	0.0590	0.000992	0.00283	0.00101	0.00241	0.00101	
Total Xylenes		0.0110	0.00100	0.0497	0.00100	0.102	0.000992	0.00506	0.00101	0.00567	0.00101	
Total BTEX		0.0131	0.00100	0.0587	0.00100	0.117	0.000992	0.00608	0.00101	0.00671	0.00101	
Percent Moisture	*Extracted:*											
	Analyzed:	Aug-31-11 15:45		Aug-31-11 15:45		Aug-31-11 15:55		Aug-31-11 15:55		Aug-31-11 15:55		
	Units/RL:	%	RL	%	RL	%	RL	%	RL	%	RL	
Percent Moisture		ND	1.00	ND	1.00	ND	1.00	ND	1.00	1.38	1.00	
TPH By SW8015B Mod	*Extracted:*	Sep-01-11 13:40		Sep-01-11 13:40		Sep-01-11 13:40		Sep-01-11 13:40		Sep-01-11 13:40		
	Analyzed:	Sep-03-11 06:47		Sep-03-11 07:17		Sep-03-11 08:52		Sep-03-11 09:22		Sep-03-11 10:01		
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	
C6-C10 Gasoline Range Hydrocarbons		ND	15.0	103	75.1	150	74.9	20.9	15.1	17.9	15.1	
C10-C28 Diesel Range Hydrocarbons		407	15.0	2040	75.1	4140	74.9	1280	15.1	1090	15.1	
Total TPH		407	15.0	2140	75.1	4290	74.9	1300	15.1	1110	15.1	

Houston - Dallas - San Antonio - Atlanta - Tampa - Boca Raton - Latin America - Odessa - Corpus Christi

Brent Barron II
Odessa Laboratory Manager

Final 1.000

XENCO Laboratories

Flagging Criteria

X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to affect the recovery of the spike concentration. This condition could also affect the relative percent difference in the MS/MSD.

B A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.

D The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.

E The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.

F RPD exceeded lab control limits.

J The target analyte was positively identified below the quantiation limit and above the detection limit.

U Analyte was not detected.

L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.

H The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.

K Sample analyzed outside of recommended hold time.

JN A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

BRL Below Reporting Limit.

RL Reporting Limit

MDL Method Detection Limit **SDL** Sample Detection Limit **LOD** Limit of Detection

PQL Practical Quantitation Limit **MQL** Method Quantitation Limit **LOQ** Limit of Quantitation

DL Method Detection Limit

NC Non-Calculable

+ Outside XENCO's scope of NELAC Accreditation.

XENCO Laboratories

Form 2 - Surrogate Recoveries

Project Name: Merle 'BOG' State #3

Work Orders : 426801,

Project ID: 30-025-37545

Lab Batch #: 869326 **Sample:** 426801-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 06:47

TPH By SW8015B Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	102	99.9	102	70-135	
o-Terphenyl	51.8	50.0	104	70-135	

Lab Batch #: 869326 **Sample:** 426801-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 07:17

TPH By SW8015B Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	83.3	99.6	84	70-135	
o-Terphenyl	39.6	49.8	80	70-135	

Lab Batch #: 869326 **Sample:** 426801-003 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 08:52

TPH By SW8015B Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	121	99.8	121	70-135	
o-Terphenyl	57.9	49.9	116	70-135	

Lab Batch #: 869326 **Sample:** 426801-004 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 09:22

TPH By SW8015B Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	86.0	100	86	70-135	
o-Terphenyl	41.9	50.0	84	70-135	

Lab Batch #: 869326 **Sample:** 426801-005 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 10:01

TPH By SW8015B Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	88.3	99.5	89	70-135	
o-Terphenyl	44.9	49.8	90	70-135	

* Surrogate outside of Laboratory QC limits
** Surrogates outside limits; data and surrogates confirmed by reanalysis
*** Poor recoveries due to dilution
Surrogate Recovery [D] = 100 * A / B
All results are based on MDL and validated for QC purposes.

XENCO Laboratories

Form 2 - Surrogate Recoveries

Project Name: Merle 'BOG' State #3

Work Orders : 426801,

Project ID: 30-025-37545

Lab Batch #: 869210 **Sample:** 426801-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 10:47

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0271	0.0300	90	80-120	
4-Bromofluorobenzene	0.0256	0.0300	85	80-120	

Lab Batch #: 869210 **Sample:** 426801-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 11:09

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0273	0.0300	91	80-120	
4-Bromofluorobenzene	0.0387	0.0300	129	80-120	*

Lab Batch #: 869210 **Sample:** 426801-003 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 11:35

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0292	0.0300	97	80-120	
4-Bromofluorobenzene	0.0644	0.0300	215	80-120	*

Lab Batch #: 869210 **Sample:** 426801-004 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 11:57

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0306	0.0300	102	80-120	
4-Bromofluorobenzene	0.0294	0.0300	98	80-120	

Lab Batch #: 869210 **Sample:** 426801-005 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 12:20

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0291	0.0300	97	80-120	
4-Bromofluorobenzene	0.0272	0.0300	91	80-120	

* Surrogate outside of Laboratory QC limits
** Surrogates outside limits; data and surrogates confirmed by reanalysis
*** Poor recoveries due to dilution
Surrogate Recovery [D] = 100 * A / B
All results are based on MDL and validated for QC purposes.

XENCO Laboratories

Form 2 - Surrogate Recoveries

Project Name: Merle 'BOG' State #3

Work Orders : 426801,

Project ID: 30-025-37545

Lab Batch #: 869326 **Sample:** 610994-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 09/03/11 02:06

TPH By SW8015B Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	86.1	100	86	70-135	
o-Terphenyl	44.4	50.0	89	70-135	

Lab Batch #: 869210 **Sample:** 610920-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 09/03/11 08:30

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0282	0.0300	94	80-120	
4-Bromofluorobenzene	0.0256	0.0300	85	80-120	

Lab Batch #: 869326 **Sample:** 610994-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 09/03/11 01:03

TPH By SW8015B Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	101	100	101	70-135	
o-Terphenyl	42.9	50.1	86	70-135	

Lab Batch #: 869210 **Sample:** 610920-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 09/03/11 06:59

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0297	0.0300	99	80-120	
4-Bromofluorobenzene	0.0279	0.0300	93	80-120	

Lab Batch #: 869326 **Sample:** 610994-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 09/03/11 01:34

TPH By SW8015B Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	96.2	99.9	96	70-135	
o-Terphenyl	40.5	50.0	81	70-135	

* Surrogate outside of Laboratory QC limits
** Surrogates outside limits; data and surrogates confirmed by reanalysis
*** Poor recoveries due to dilution
Surrogate Recovery [D] = 100 * A / B
All results are based on MDL and validated for QC purposes.

Final 1.000

XENCO Laboratories

Form 2 - Surrogate Recoveries

Project Name: Merle 'BOG' State #3

Work Orders : 426801,

Project ID: 30-025-37545

Lab Batch #: 869210 **Sample:** 610920-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 09/03/11 07:21

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0285	0.0300	95	80-120	
4-Bromofluorobenzene	0.0279	0.0300	93	80-120	

Lab Batch #: 869326 **Sample:** 426704-001 S / MS **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 10:32

TPH By SW8015B Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	112	101	111	70-135	
o-Terphenyl	46.3	50.3	92	70-135	

Lab Batch #: 869210 **Sample:** 426978-002 S / MS **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 12:43

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0284	0.0300	95	80-120	
4-Bromofluorobenzene	0.0276	0.0300	92	80-120	

Lab Batch #: 869326 **Sample:** 426704-001 SD / MSD **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 11:03

TPH By SW8015B Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	102	99.5	103	70-135	
o-Terphenyl	40.8	49.8	82	70-135	

Lab Batch #: 869210 **Sample:** 426978-002 SD / MSD **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 09/03/11 13:05

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0264	0.0300	88	80-120	
4-Bromofluorobenzene	0.0257	0.0300	86	80-120	

* Surrogate outside of Laboratory QC limits
** Surrogates outside limits; data and surrogates confirmed by reanalysis
*** Poor recoveries due to dilution
Surrogate Recovery [D] = 100 * A / B
All results are based on MDL and validated for QC purposes.

XENCO Laboratories

BS / BSD Recoveries

Project Name: Merle 'BOG' State #3

Work Order #: 426801 **Project ID:** 30-025-37545

Analyst: ASA **Date Prepared:** 09/02/2011 **Date Analyzed:** 09/03/2011

Lab Batch ID: 869210 **Sample:** 610920-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B	BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY										
Analytes	Blank Sample Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Spike Added [E]	Blank Spike Duplicate Result [F]	Blk. Spk Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
Benzene	<0.00100	0.100	0.111	111	0.100	0.108	108	3	70-130	35	
Toluene	<0.00200	0.100	0.0974	97	0.100	0.0965	97	1	70-130	35	
Ethylbenzene	<0.00100	0.100	0.105	105	0.100	0.104	104	1	71-129	35	
m_p-Xylenes	<0.00200	0.200	0.209	105	0.200	0.209	105	0	70-135	35	
o-Xylene	<0.00100	0.100	0.0980	98	0.100	0.0975	98	1	71-133	35	

Analyst: BBH **Date Prepared:** 09/01/2011 **Date Analyzed:** 09/03/2011

Lab Batch ID: 869326 **Sample:** 610994-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015B Mod	BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY										
Analytes	Blank Sample Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Spike Added [E]	Blank Spike Duplicate Result [F]	Blk. Spk Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
C6-C10 Gasoline Range Hydrocarbons	<15.0	1000	706	71	999	678	68	4	70-135	35	L
C10-C28 Diesel Range Hydrocarbons	<15.0	1000	814	81	999	784	78	4	70-135	35	

Relative Percent Difference RPD = 200*|(C-F)/(C+F)|
Blank Spike Recovery [D] = 100*(C)/[B]
Blank Spike Duplicate Recovery [G] = 100*(F)/[E]
All results are based on MDL and Validated for QC Purposes

XENCO Laboratories

Form 3 - MS / MSD Recoveries

Project Name: Merle 'BOG' State #3

Work Order # : 426801

Project ID: 30-025-37545

Lab Batch ID: 869210 QC- Sample ID: 426978-002 S Batch #: 1 Matrix: Soil

Date Analyzed: 09/03/2011 Date Prepared: 09/02/2011 Analyst: ASA

Reporting Units: mg/kg

BTEX by EPA 8021B	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	Spiked Sample %R [D]	Spike Added [E]	Duplicate Spiked Sample Result [F]	Spiked Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
Benzene	<0.000998	0.0998	0.0798	80	0.100	0.0718	72	11	70-130	35	
Toluene	<0.00200	0.0998	0.0665	67	0.100	0.0580	58	14	70-130	35	X
Ethylbenzene	<0.000998	0.0998	0.0641	64	0.100	0.0520	52	21	71-129	35	X
m_p-Xylenes	<0.00200	0.200	0.123	62	0.200	0.0983	49	22	70-135	35	X
o-Xylene	<0.000998	0.0998	0.0543	54	0.100	0.0438	44	21	71-133	35	X

Lab Batch ID: 869326 QC- Sample ID: 426704-001 S Batch #: 1 Matrix: Soil

Date Analyzed: 09/03/2011 Date Prepared: 09/01/2011 Analyst: BBH

Reporting Units: mg/kg

TPH By SW8015B Mod	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	Spiked Sample %R [D]	Spike Added [E]	Duplicate Spiked Sample Result [F]	Spiked Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
C6-C10 Gasoline Range Hydrocarbons	<16.3	1090	810	74	1080	762	71	6	70-135	35	
C10-C28 Diesel Range Hydrocarbons	<16.3	1090	988	91	1080	895	83	10	70-135	35	

Matrix Spike Percent Recovery [D] = 100*(C-A)/B

Matrix Spike Duplicate Percent Recovery [G] = 100*(F-A)/E

Relative Percent Difference RPD = 200*|(C-F)/(C+F)|

ND = Not Detected, J = Present Below Reporting Limit, B = Present in Blank, NR = Not Requested, I = Interference, NA = Not ApplicableN = See Narrative, EQL = Estimated Quantitation Limit

Final 1.000

XENCO Laboratories

Sample Duplicate Recovery

Project Name: Merle 'BOG' State #3

Work Order #: 426801

Lab Batch #: 868909 **Project ID:** 30-025-37545

Date Analyzed: 08/31/2011 14:15 **Date Prepared:** 08/31/2011 **Analyst:** BRB

QC- Sample ID: 426780-001 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: %

	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Percent Moisture Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	<1.00	<1.00	0	20	

Lab Batch #: 868917

Date Analyzed: 08/31/2011 15:55 **Date Prepared:** 08/31/2011 **Analyst:** BRB

QC- Sample ID: 426801-003 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: %

	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Percent Moisture Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	<1.00	<1.00	0	20	

Spike Relative Difference RPD 200 * | (B-A)/(B+A) |
All Results are based on MDL and validated for QC purposes.

BRL - Below Reporting Limit

XENCO-Environmental Lab of Texas

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax: 432-563-1713

Project Manager: Jeremy Haass

Company Name: Yates Petroleum Corporation

Company Address: 105 South 4th Street

City/State/Zip: Artesia, NM 88210

Telephone No: 575-748-4311 Fax No:

Sampler Signature:

e-mail: jhaass@yatespetroleum.com

Project Name: Merle 'BOG' State #3

Project #: 30-025-37545

Project Loc: Lea

PO #: 103-2636

Report Format: [x] Standard [ ] TRRP [ ] NPDES

(lab use only)
ORDER #: 426801 / 426802 Cl

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total #. of Containers	Preservation & # of Containers: Ice	HNO_3	HCl	H_2SO_4	NaOH	$Na_2S_2O_3$	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge	GW = Groundwater S=Soil/Solid	NP=Non-Potable Specify Other	Analyze For: TPH: 418.1 8015M 8015B	TPH: TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N.O.R.M.	Chlorides	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
	Sample #1	1ft	1ft	8/23/2011	3:35pm			X								S			X								X			X		X
	Sample #2	1ft	1ft	8/23/2011	3:44pm			X								S			X								X			X		X
	Sample #3	1ft	1ft	8/23/2011	3:55pm			X								S			X								X			X		X
	Sample #4	1ft	1ft	8/23/2011	4:10pm			X								S			X								X			X		X
	Sample #5	1ft	1ft	8/23/2011	4:20pm			X								S			X								X			X		X
	PLEASE PUT CHLORIDES ON SEPARATE REPORT																															

Special Instructions: TPH: 8015B, BTEX: 8021B & Chlorides. Please show BTEX results as mg/kg. Thank you.

	Date	Time		Date	Time
Relinquished by:	08/29/11	9:12 AM	Received by:		
Relinquished by:			Received by:		
Relinquished by: Fedex			Received by ELOT: Andrea Elam	8.31.11	10:00

Laboratory Comments:

Sample Containers Intact?	N
VOCs Free of Headspace?	N
Labels on container(s)	N
Custody seals on container(s)	N
Custody seals on cooler(s)	N
Sample Hand Delivered by Sampler/Client Rep. ?	N
by Courier? UPS DHL FedEx Lone Star	4oz glass
Temperature Upon Receipt:	1.5 °C

XENCO Laboratories

XENCO Laboratories
Atlanta, Boca Raton, Corpus Christi, Dallas
Houston, Miami, Odessa, Philadelphia
Phoenix, San Antonio, Tampa

Document Title: Sample Receipt Checklist
Document No.: SYS-SRC
Revision/Date: No. 01, 5/27/2010
Effective Date: 6/1/2010 Page 1 of 1

Prelogin / Nonconformance Report - Sample Log-In

Client: Yates Petroleum
Date/Time: 8.31.11 10:00
Lab ID #: 426801/426802-C1
Initials: AE

Sample Receipt Checklist

1. Samples on ice?	Blue	(Water)	No	
2. Shipping container in good condition?	(Yes)	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	(Yes)	No	N/A	
4. Chain of Custody present?	(Yes)	No		
5. Sample instructions complete on chain of custody?	(Yes)	No		
6. Any missing / extra samples?	Yes	(No)		
7. Chain of custody signed when relinquished / received?	(Yes)	No		
8. Chain of custody agrees with sample label(s)?	(Yes)	No		
9. Container labels legible and intact?	(Yes)	No		
10. Sample matrix / properties agree with chain of custody?	(Yes)	No		
11. Samples in proper container / bottle?	(Yes)	No		
12. Samples properly preserved?	(Yes)	No	N/A	
13. Sample container intact?	(Yes)	No		
14. Sufficient sample amount for indicated test(s)?	(Yes)	No		
15. All samples received within sufficient hold time?	(Yes)	No		
16. Subcontract of sample(s)?	Yes	No	(N/A)	
17. VOC sample have zero head space?	(Yes)	No	N/A	

18. Cooler 1 No.		Cooler 2 No.		Cooler 3 No.		Cooler 4 No.		Cooler 5 No.	
lbs	1.5 °C	lbs	°C	lbs	°C	lbs	°C	lbs	°C

Nonconformance Documentation

Contact: _____ Contacted by: _____ Date/Time: _____

Regarding: _____

Corrective Action Taken: _____

Check all that apply:
- ☐ Cooling process has begun shortly after sampling event and out of temperature condition acceptable by NELAC 5.5.8.3.1.a.1.
- ☐ Initial and Backup Temperature confirm out of temperature conditions
- ☐ Client understands and would like to proceed with analysis

Analytical Report 426802

for

Yates Petroleum Corporation

Project Manager: Jeremy Haass

Merle 'BOG' State #3

30-025-37545

08-SEP-11

Collected By: Client

XENCO Laboratories

Celebrating 20 Years of commitment to excellence in Environmental Testing Services

12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):
Texas (T104704215-10-6-TX), Arizona (AZ0765), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):
Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)
Xenco-Tampa Mobile (EPA Lab code: FL01212): Florida (E84900)
Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-TX)
Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-TX)
Xenco Phoenix (EPA Lab Code: AZ00901): Arizona(AZ0757)
Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)
Xenco Tucson (EPA Lab code:AZ000989): Arizona (AZ0758)

XENCO Laboratories

08-SEP-11

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

Reference: XENCO Report No: **426802**
Merle 'BOG' State #3
Project Address: Lea

Jeremy Haass:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 426802. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

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

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 426802 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

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

Respectfully,

Brent Barron II
Odessa Laboratory Manager

Recipient of the Prestigious Small Business Administration Award of Excellence in 1994.
Certified and approved by numerous States and Agencies.
A Small Business and Minority Status Company that delivers SERVICE and QUALITY
Houston - Dallas - San Antonio - Austin - Tampa - Miami - Atlanta - Corpus Christi - Latin America

XENCO Laboratories

Sample Cross Reference 426802

Yates Petroleum Corporation, Artesia, NM

Merle 'BOG' State #3

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
Sample #1	S	08-23-11 15:35	1 - 1 ft	426802-001
Sample #2	S	08-23-11 15:44	1 - 1 ft	426802-002
Sample #3	S	08-23-11 15:55	1 - 1 ft	426802-003
Sample #4	S	08-23-11 16:10	1 - 1 ft	426802-004
Sample #5	S	08-23-11 16:20	1 - 1 ft	426802-005

CASE NARRATIVE

XENCO Laboratories

Client Name: Yates Petroleum Corporation
Project Name: Merle 'BOG' State #3

Project ID:	*30-025-37545*	*Report Date:*	*08-SEP-11*
Work Order Number:	*426802*	*Date Received:*	*08/31/2011*

Sample receipt non conformances and comments:

None

Sample receipt non conformances and comments per sample:

None

Final 1.000

XENCO Laboratories

Certificate of Analysis Summary 426802

Yates Petroleum Corporation, Artesia, NM

Project Name: Merle 'BOG' State #3

Project Id: 30-025-37545
Contact: Jeremy Haass
Project Location: Lea

Date Received in Lab: Wed Aug-31-11 10:00 am
Report Date: 08-SEP-11
Project Manager: Brent Barron II

Analysis Requested											
	Lab Id:	426802-001		426802-002		426802-003		426802-004		426802-005	
	Field Id:	Sample #1		Sample #2		Sample #3		Sample #4		Sample #5	
	Depth:	1-1 ft		1-1 ft		1-1 ft		1-1 ft		1-1 ft	
	Matrix:	SOIL		SOIL		SOIL		SOIL		SOIL	
	Sampled:	Aug-23-11 15:35		Aug-23-11 15:44		Aug-23-11 15:55		Aug-23-11 16:10		Aug-23-11 16:20	
Anions by E300	*Extracted:*										
	Analyzed:	Sep-01-11 08:19		Sep-01-11 08:19		Sep-01-11 08:19		Sep-01-11 08:19		Sep-01-11 08:19	
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL
Chloride		46.3	4.21	ND	4.22	41.8	4.22	427	8.45	3590	42.6
Percent Moisture	*Extracted:*										
	Analyzed:	Aug-31-11 15:45		Aug-31-11 15:45		Aug-31-11 15:55		Aug-31-11 15:55		Aug-31-11 15:55	
	Units/RL:	%	RL	%	RL	%	RL	%	RL	%	RL
Percent Moisture		ND	1.00	ND	1.00	ND	1.00	ND	1.00	1.38	1.00

Houston - Dallas - San Antonio - Atlanta - Tampa - Boca Raton - Latin America - Odessa - Corpus Christi

Brent Barron II
Odessa Laboratory Manager

Final 1.000

XENCO Laboratories

Flagging Criteria

X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to affect the recovery of the spike concentration. This condition could also affect the relative percent difference in the MS/MSD.

B A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.

D The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.

E The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.

F RPD exceeded lab control limits.

J The target analyte was positively identified below the quantiation limit and above the detection limit.

U Analyte was not detected.

L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.

H The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.

K Sample analyzed outside of recommended hold time.

JN A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

BRL Below Reporting Limit.

RL Reporting Limit

MDL Method Detection Limit **SDL** Sample Detection Limit **LOD** Limit of Detection

PQL Practical Quantitation Limit **MQL** Method Quantitation Limit **LOQ** Limit of Quantitation

DL Method Detection Limit

NC Non-Calculable

+ Outside XENCO's scope of NELAC Accreditation.

XENCO Laboratories

BS / BSD Recoveries

Project Name: Merle 'BOG' State #3

Work Order #: 426802
Analyst: BRB
Lab Batch ID: 869030
Sample: 869030-1-BKS
Batch #: 1
Units: mg/kg

Date Prepared: 09/01/2011

Project ID: 30-025-37545
Date Analyzed: 09/01/2011
Matrix: Solid

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

Anions by E300 Analytes	Blank Sample Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Spike Added [E]	Blank Spike Duplicate Result [F]	Blk. Spk Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
Chloride	<0.840	20.0	22.6	113	20.0	22.4	112	1	75-125	20	

Relative Percent Difference RPD = 200*|(C-F)/(C+F)|
Blank Spike Recovery [D] = 100*(C)/[B]
Blank Spike Duplicate Recovery [G] = 100*(F)/[E]
All results are based on MDL and Validated for QC Purposes

XENCO Laboratories

Form 3 - MS Recoveries

Project Name: Merle 'BOG' State #3

Work Order #: 426802
Lab Batch #: 869030
Date Analyzed: 09/01/2011
QC- Sample ID: 426798-001 S
Reporting Units: mg/kg

Project ID: 30-025-37545
Date Prepared: 09/01/2011
Analyst: BRB
Batch #: 1
Matrix: Soil

Inorganic Anions by EPA 300	MATRIX / MATRIX SPIKE RECOVERY STUDY					
Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Chloride	382	215	647	123	75-125	

Matrix Spike Percent Recovery [D] = 100*(C-A)/B
Relative Percent Difference [E] = 200*(C-A)/(C+B)
All Results are based on MDL and Validated for QC Purposes

BRL - Below Reporting Limit

Final 1.000

XENCO Laboratories

Sample Duplicate Recovery

Project Name: Merle 'BOG' State #3

Work Order #: 426802

Lab Batch #: 869030 Project ID: 30-025-37545

Date Analyzed: 09/01/2011 08:19 Date Prepared: 09/01/2011 Analyst: BRB

QC- Sample ID: 426798-001 D Batch #: 1 Matrix: Soil

Reporting Units: mg/kg

Anions by E300	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Chloride	382	387	1	20	

Lab Batch #: 868909

Date Analyzed: 08/31/2011 14:15 Date Prepared: 08/31/2011 Analyst: BRB

QC- Sample ID: 426780-001 D Batch #: 1 Matrix: Soil

Reporting Units: %

Percent Moisture	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	<1.00	<1.00	0	20	

Lab Batch #: 868917

Date Analyzed: 08/31/2011 15:55 Date Prepared: 08/31/2011 Analyst: BRB

QC- Sample ID: 426801-003 D Batch #: 1 Matrix: Soil

Reporting Units: %

Percent Moisture	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	<1.00	<1.00	0	20	

Spike Relative Difference RPD 200 * | (B-A)/(B+A) |
All Results are based on MDL and validated for QC purposes.
BRL - Below Reporting Limit

Final 1.000

XENCO-Environmental Lab of Texas

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax: 432-563-1713

Project Manager: Jeremy Haass

Company Name: Yates Petroleum Corporation

Company Address: 105 South 4th Street

City/State/Zip: Artesia, NM 88210

Telephone No: 575-748-4311 Fax No:

Sampler Signature:

e-mail: jhaass@yatespetroleum.com

Project Name: Merle 'BOG' State #3

Project #: 30-025-37545

Project Loc: Lea

PO #: 103-2636

Report Format: [X] Standard [ ] TRRP [ ] NPDES

(lab use only)
ORDER #: 426801 / 426802 Cl

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total #. of Containers	Preservation & # of Containers: Ice	HNO_3	HCl	H_2SO_4	NaOH	$Na_2S_2O_3$	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge	GW = Groundwater S=Soil/Solid	NP=Non-Potable Specify Other	Analyze For: TCLP: TPH: 418.1	8015M	TPH: TX 1005	TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N.O.R.M.	Chlorides	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
	Sample #1	1ft	1ft	8/23/2011	3:35pm			X									S		X									X			X			X
	Sample #2	1ft	1ft	8/23/2011	3:44pm			X									S		X									X			X			X
	Sample #3	1ft	1ft	8/23/2011	3:55pm			X									S		X									X			X			X
	Sample #4	1ft	1ft	8/23/2011	4:10pm			X									S		X									X			X			X
	Sample #5	1ft	1ft	8/23/2011	4:20pm			X									S		X									X			X			X
	PLEASE PUT CHLORIDES ON SEPARATE REPORT																																	

Special Instructions: TPH: 8015B, BTEX: 8021B & Chlorides. Please show BTEX results as mg/kg. Thank you.

Relinquished by:	Date	Time	Received by:	Date	Time
	08/29/11	9:12 AM			
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by: Fedex	Date	Time	Received by ELOT: Andrea Elam	Date 8.31.11	Time 10:00

Laboratory Comments:
Sample Containers Intact? Y N
VOCs Free of Headspace? Y N
Labels on container(s) Y N
Custody seals on container(s) Y N
Custody seals on cooler(s) Y N
Sample Hand Delivered Y N
by Sampler/Client Rep. ?
by Courier? UPS DHL FedEx Lone Star
4oz glass
Temperature Upon Receipt: 1.5 °C

XENCO Laboratories	Document Title: Sample Receipt Checklist
XENCO Laboratories Atlanta, Boca Raton, Corpus Christi, Dallas Houston, Miami, Odessa, Philadelphia Phoenix, San Antonio, Tampa	Document No.: SYS-SRC Revision/Date: No. 01, 5/27/2010 Effective Date: 6/1/2010 Page 1 of 1

Prelogin / Nonconformance Report - Sample Log-In

Client: Yates Petroleum
Date/Time: 8.31.11 10.00
Lab ID #: 426801/426802-C1
Initials: CE

Sample Receipt Checklist

1. Samples on ice?	Blue	(Water)	No	
2. Shipping container in good condition?	(Yes)	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	(Yes)	No	N/A	
4. Chain of Custody present?	(Yes)	No		
5. Sample instructions complete on chain of custody?	(Yes)	No		
6. Any missing / extra samples?	Yes	(No)		
7. Chain of custody signed when relinquished / received?	(Yes)	No		
8. Chain of custody agrees with sample label(s)?	(Yes)	No		
9. Container labels legible and intact?	(Yes)	No		
10. Sample matrix / properties agree with chain of custody?	(Yes)	No		
11. Samples in proper container / bottle?	(Yes)	No		
12. Samples properly preserved?	(Yes)	No	N/A	
13. Sample container intact?	(Yes)	No		
14. Sufficient sample amount for indicated test(s)?	(Yes)	No		
15. All samples received within sufficient hold time?	(Yes)	No		
16. Subcontract of sample(s)?	Yes	No	(N/A)	
17. VOC sample have zero head space?	(Yes)	No	N/A	

18. Cooler 1 No.		Cooler 2 No.		Cooler 3 No.		Cooler 4 No.		Cooler 5 No.	
lbs	1.5 °C	lbs	°C	lbs	°C	lbs	°C	lbs	°C

Nonconformance Documentation

Contact: _____ Contacted by: _____ Date/Time: _____

Regarding: _____

Corrective Action Taken: _____

Check all that apply:
- ☐ Cooling process has begun shortly after sampling event and out of temperature condition acceptable by NELAC 5.5.8.3.1.a.1.
- ☐ Initial and Backup Temperature confirm out of temperature conditions
- ☐ Client understands and would like to proceed with analysis

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

HOBBS OCD
AUG 0 2 2011
RECEIVED

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-141
Revised October 10, 2003

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

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Jeremy Haass
Address 104 S. 4TH Street		Telephone No. 575-748-1471
Facility Name Merlo State Unit #3	API Number 30-025-37545	Facility Type Well

Surface Owner State	Mineral Owner State	Lease No. VA-1944

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
p	14	10S	34E	990	South	990	East	Lea

Latitude 33.44253 Longitude 103.42887

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release 45 B/O 10 B/PW	Volume Recovered 30 B/O
Source of Release Heater Treater	Date and Hour of Occurrence 7/18/2011 AM	Date and Hour of Discovery 7/18/2011 AM
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Maxey Brown, NMOCD	
By Whom? Robert Asher, Yates Petroleum Corporation	Date and Hour 7/19/2011 AM (email)	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse N/A	

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
Hole in the Fire Tube in the North Heater Treater Isolated Heater Treater.

Describe Area Affected and Cleanup Action Taken *
An approximate area of 110' X 10', all on well pad. Vacuum truck called to pick up remaining oil, impacted soils to be scraped up and taken to an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL's a work plan will be submitted **Depth to Ground Water: 50-99' (approximately 50', Section 14-T10S-R34E, per New Mexico Chevron Texaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10.**

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature:	OIL CONSERVATION DIVISION Approved by District Supervisor: 4/02/12 **Accepted for Record Only**	
Printed Name Jeremy Haass		
Title Environmental Regulatory Agent	Approval Date:	Expiration Date
E-mail Address jhaass@yatespetroleum.com	Conditions of Approval: 2RP-	Attached ☐ IRP-4-12-2792
Date Friday, July 29, 2011 Phone: 575-748-1471		

* Attach Additional Sheets If Necessary

APR 0 2 2012

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

Form C-141
Revised October 10, 2003

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

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	OGRID Number	Contact
Yates Petroleum Corporation	25575	Jeremy Haass
Address		Telephone No.
104 S. 4TH Street		575-748-1471
Facility Name	API Number	Facility Type
Merle State Unit #3	30-025-37545	Well

Surface Owner	Mineral Owner	Lease No.
State	State	VA-1944

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
p	14	10S	34E	990	South	990	East	Lea

Latitude 33.44253 Longitude 103.42887

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered
Crude Oil & Produced Water	45 B/O 10 B/PW	30 B/O
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Heater Treater	7/18/2011 AM	7/18/2011 AM
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Maxey Brown, NMOCD	
By Whom? Robert Asher, Yates Petroleum Corporation	Date and Hour 7/19/2011 AM (email)	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
Hole in the Fire Tube in the North Heater Treater. Isolated Heater Treater.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 110' X 10', all on well pad. Vacuum truck called to pick up remaining oil, impacted soils to be scraped up and taken to an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL's a work plan will be submitted. **Depth to Ground Water: 50-99' (approximately 50', Section 14-T10S-R34E, per New Mexico Chevron Texaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10.**

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature:	OIL CONSERVATION DIVISION
Printed Name: Jeremy Haass	Approved by District Supervisor:
Title: Environmental Regulatory Agent	Approval Date: / Expiration Date:
E-mail Address: jhaass@yatespetrolcum.com	Conditions of Approval: / Attached ☐
Date: Friday, July 29, 2011 Phone: 575-748-1471	2RP-

* Attach Additional Sheets If Necessary

YATES PETROLEUM CORPORATION

BREAKS, SPILLS AND LEAKS REPORT

Person Reporting: Juan M. Sarabia — Time Reported: 5:00 p.m. am pm

Person Reported to (Field Supervisor): Noel Gomez — Time Reported: 5:00 p.m. am pm

Environmental Notification Coordinator: Bob Asher — Time Reported: 7:00 am pm

1. LOCATION:

Name of well or facility: Merle BOG St. # 3 Battery

Location: 990'x990' Section: 14 Township: 10S Range: 34 e County: Lea Co.

Surface Owner: _____ Mineral Owner: Fee [ ] Federal [ ] State [X]

2. TIME OF INCIDENT:

Date: 07/18/11 Time: 5:00 p.m. am pm

3. SOURCE AND CAUSE: hole in the Fire Tube from the North Heater Treater

4. TYPE OF DISCHARGE

[X] Crude Oil [ ] Condensate [ ] Produced Water [ ] Gas [ ] Other _____

5. QUANITY:

Estimated Volumes Discharged: 45 Barrels of Oil 10 Barrels of Water

_____ Barrels of _____

_____ MCF Gas

Estimated Volumes Recovered: 30 Barrels of Oil 0 Barrels of Water

_____ Barrels of _____

6. SITE CHARACTERISTICS:

Weather Conditions: DRY 5-10 mph Soil Type and Condition: Caliche Pad

Distance & Direction to fresh water wells or watercourse: 2 miles north

Secondary Containment type & condition: N/A

Miscellaneous: _____

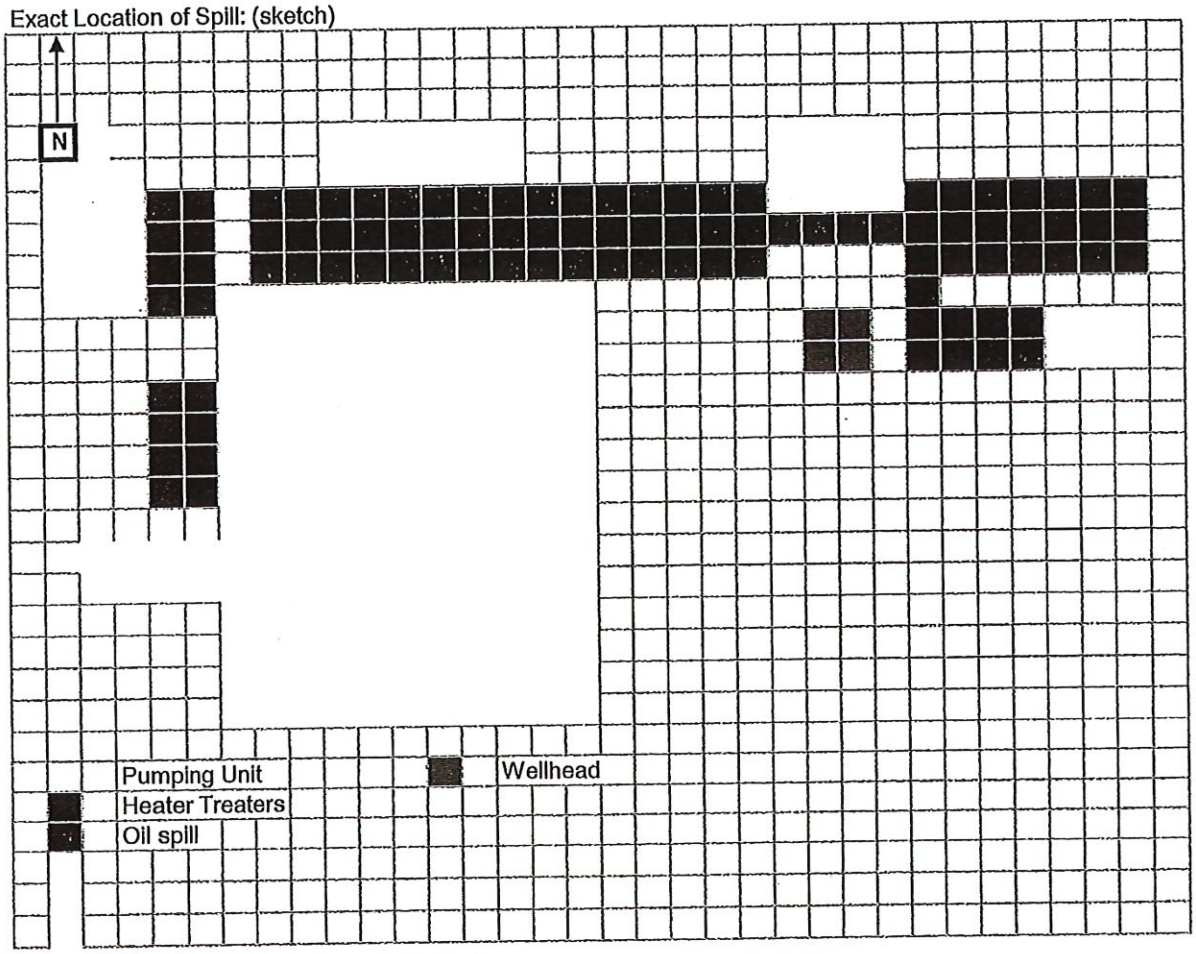
7. IMMEDIATE CORRECTIVE ACTION:

Action and time taken to control incident: recover 30 bbls. Of oil , put back in production tank.

BREAKS, SPILLS AND LEAKS REPORT

8. SITE ASSESMENT

Exact Location of Spill: (sketch)



Horizontal Extent: 110 X 10 Estimated Vertical Extent: 3 feet / inches

Degree of Contamination: [X] Highly Contaminated/Saturated **Packed Caliche**

[ ] Unsaturated _____

9. REMEDIAL ACTION:

[ ] Excavate, and landfarm on location _____

[X] Excavate, remove and replace **contaminated soil, left excavated for environmental testing**

[ ] Treat in place _____

Date: 7/29/2011
Time: 2:34 PM

PI/Dwights PLUS on CD Well Summary Report

General Information

State	:	NEW MEXICO	Final Status	: GAS
County	:	LEA	Drill Total Depth	: 12670
Field	:	LANE SOUTHEAST	Log Total Depth	:
Operator Name	:	YATES PETROLEUM CORP	True Vertical Depth	:
Lease Name	:	MERLE STATE UNIT		
Well Number	:	3	Spud Date	: JAN 10, 2006
API Number	:	30025375450000	Comp Date	: MAR 15, 2006
Regulatory API	:	3002537545		
Init Lahee Class	:	WO	Hole Direction	: VERTICAL
Final Lahee Class	:	WDD	Reference Elevation	: 4190 KB
Permit Number	:		Ground Elevation	: 4173
Geologic Province	:	PERMIAN BASIN	KB Elevation	: 4190
Formation at TD	:	352MSSPL MISSISSIPPIAN LOWER		
Oldest Age Pen	:	352 MISSISSIPPIAN OSAGIAN		
Producing Formation	:	354ACCL AUSTIN CYCLE		
Township	:	10 S	Section	: 14 SEC
Range	:	34 E	Spot	: NW SE SE
Base Meridian	:	NEW MEXICO		

Additional Location Information

Footage Location	:	990 FSL 990 FEL CONGRESS SECTION		
Latitude	:	33.4425300	Latitude (Bot)	:
Longitude	:	-103.4288700	Longitude (Bot)	:
Lat./Long. Source	:	TS		
Location Narrative	:	Type	Remark	
		SCALED_FOOT	REGULATORY	
		IRREG_SECT	N	
		DST_TOWN	14.5 MI NW TATUM, NM	
		DST_FIELD	0.9 MI W X-4 RANCH EAST FLD(ATOKA)	

Initital Potential Tests

Test	Top Form	Base Form	Top Depth	Base Depth	Choke	GOR	Oil Grav	Prod Method	Test Method
001	354ACCL	354ACCL	12152	12187	24/64			PERF	FLOWING

IP Volume

Test	Amount	Oil Unit	Desc	Amount	Cond Unit	Desc	Amount	Gas Unit	Desc	Amount	Wtr Unit	Desc
001	1	BPD					1914	MCFD		1	BBL	

IP Pressure

Test	FTP	SITP	FCP	SICP
001	550			

IP Treatment

Test	Top	Base	Volume	Meas	Amount	T/P	PSI	Inj	Type	Nbr	Agent	Add
001	12152	12187	2500	GAL					ACID			NEFE

IP Perforation

Test	Top	Base	Type	Method	Top Form	Base Form	Status	Count	Density	Per
001	12152	12161		PERF	354ACCL	354ACCL		20		
001	12164	12187		PERF	354ACCL	354ACCL		48		

Formations

Form Code	Form Name	Top Depth	Top TVD	Base Depth	Base TVD	Source	Lithology
454RSLR	RUSTLER	2174				LOG	
453YTES	YATES	2833				LOG	

Date: 7/29/2011
Time: 2:34 PM

PI/Dwights PLUS on CD Well Summary Report

453SADR	SAN ANDRES	4090	LOG
453GLRT	GLORIETA	5536	LOG
452TUBB	TUBB	6992	LOG
452ABO	ABO /SH/	7794	LOG
451WFMP	WOLFCAMP	9072	LOG
404STRN	STRAWN	10882	LOG
403ATOK	ATOKA	11489	LOG
402MRRW	MORROW	11966	LOG
354ACCL	AUSTIN CYCLE	12150	LOG
354CRLM	CHESTER LM	12279	LOG
352MSSPL	MISSISSIPPIAN LOWER	12350	LOG

Log Data

Run No	Log Type	Top	Base	Log MD	Max Temp
1	TLD				
1	HRLA				
1	BHCS				

Casing Data

Size	Base Depth	Cement	Unit
20 IN	40		
13 3/8 IN	376	440	SACK
9 5/8 IN	4110	1575	SACK
7 IN	12670	2380	SACK

Tubing Data

Size	Base Depth	Mixed String
2 7/8 IN	12089	

MERLE ST UT #3
Sec. 14 10S 34E
990 FSL 330 FWL

GO NORTH OF TATUM, NM TO CROSSROAD, NM. TURN WEST ON CO ROAD (CARROLL ROAD). GO APPROXIMATELY 6.4 MILES. TURN SOUTH THRU THE CATTLE GUARD AND GO APPROXIMATELY 4.2 MILES TO WHERE THE ROAD T'S. TURN EAST AND GO APPROXIMATELY 1.5 MILES. THE NEW ROAD WILL START HERE AND GO SOUGHT FOR APPROXIMATELY ½ MILE.

Jeremy Haass

From: Bob Asher
Sent: Tuesday, July 19, 2011 8:36 AM
To: ' (MaxeyG.Brown@state.nm.us)'
Cc: Jerry Fanning; Lisa Norton; Amanda Trujillo; Amber Cannon; Jeremy Haass
Subject: Release (Merle BOG State #3)

Yates Petroleum Corporation is reporting a release at the following location.

Merle BOG State #3
30-025-37545
Section 14, T10S-R34E
Lea County, New Mexico

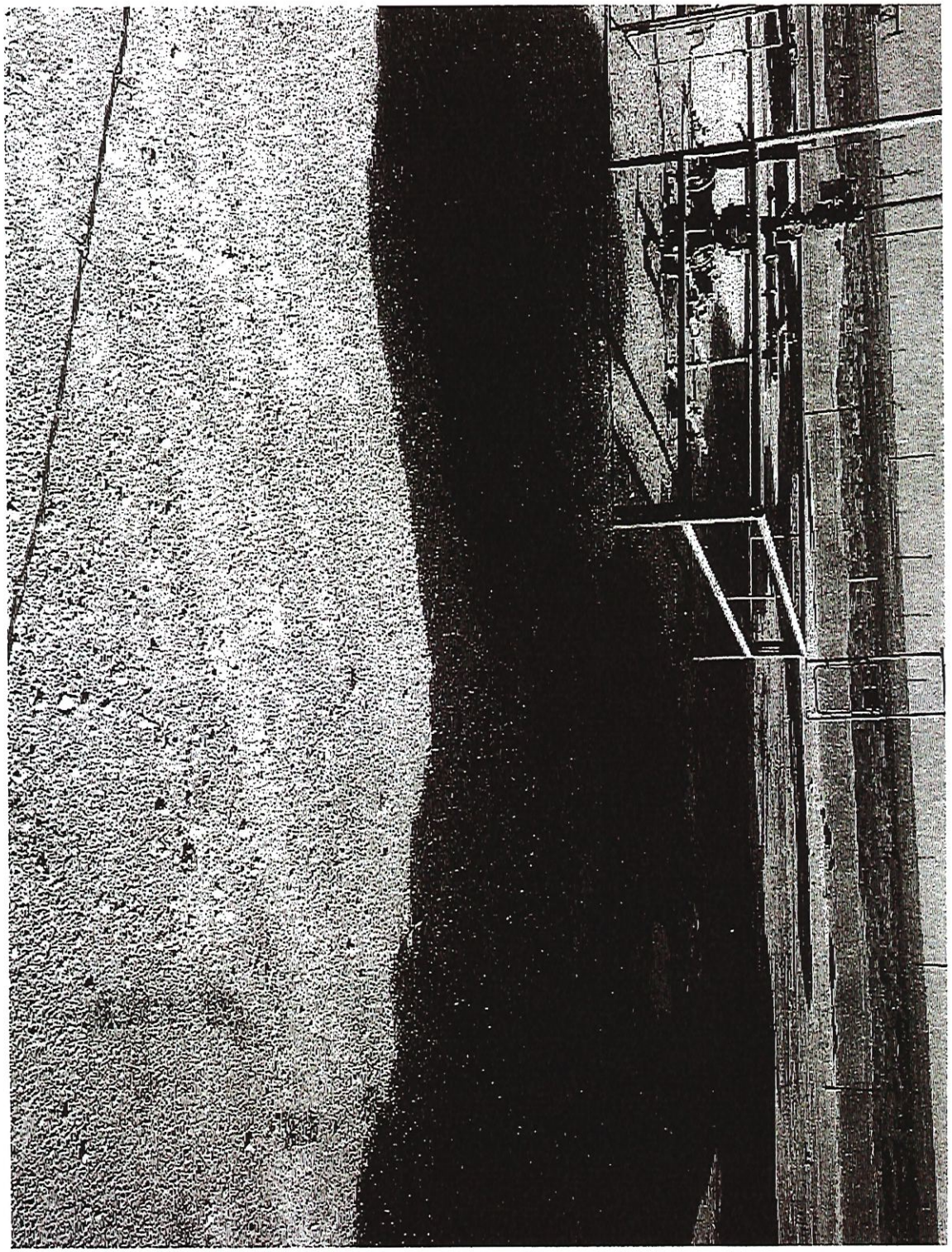
Date/Time of Release: 7/19/2011; AM

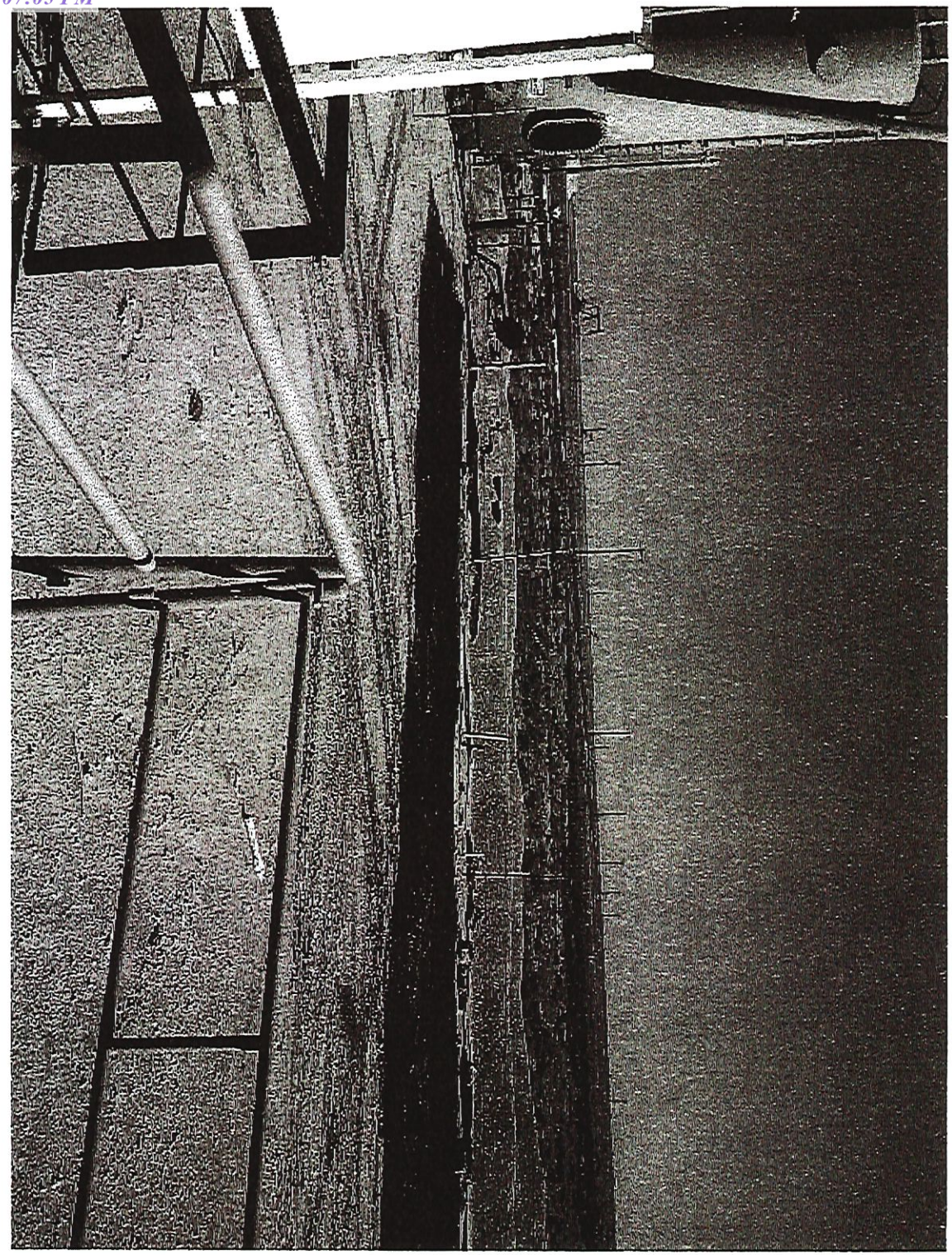
Released: Approximately 45 B/O & 15 B/PW
Recovered: Approximately 30 B/O & 0 B/PW

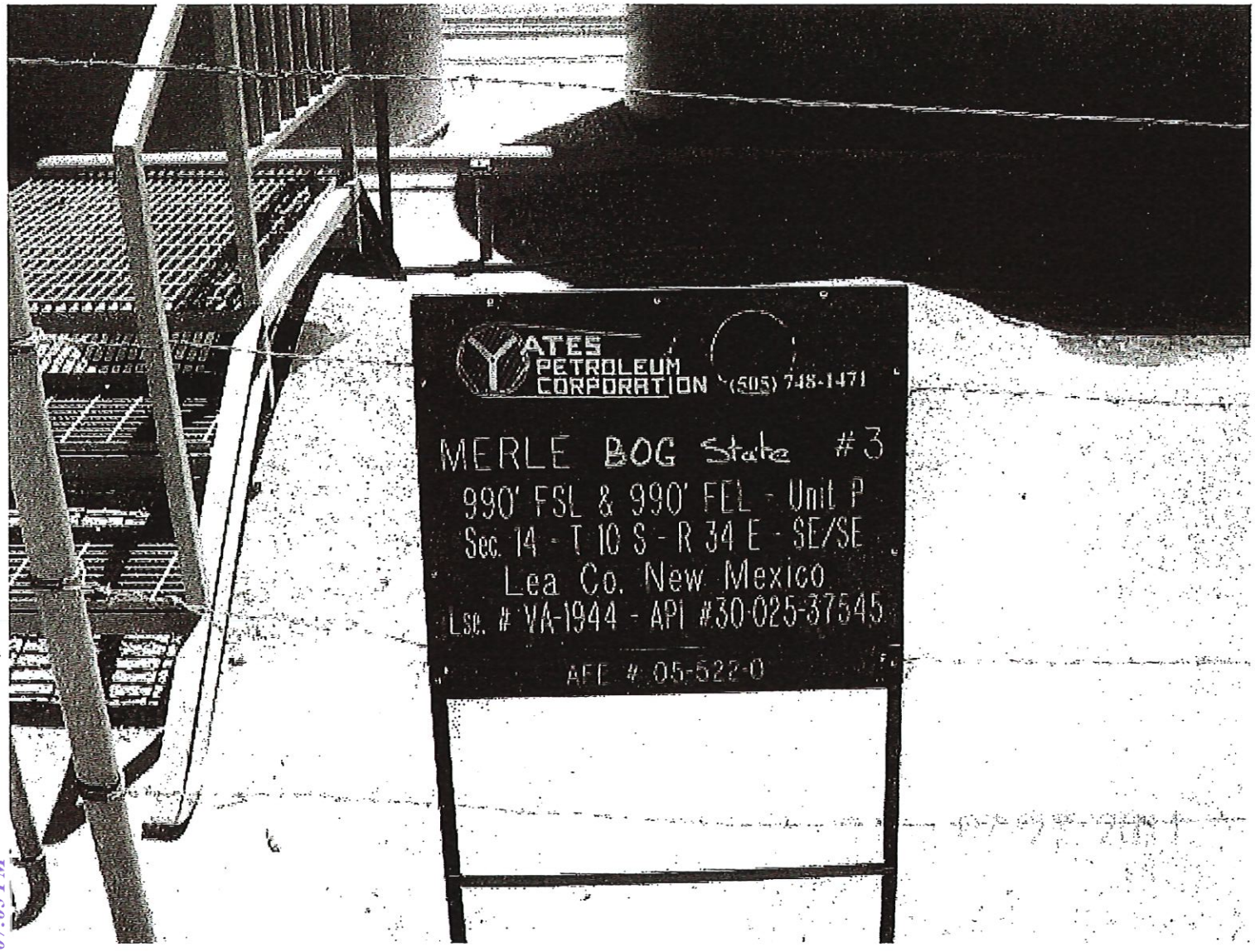
The release was caused from a hole in the fire tube of a heater treater, vacuum truck called.
Crew called to begin cleanup work.
A C-141 Initial Report will be submitted with complete details.

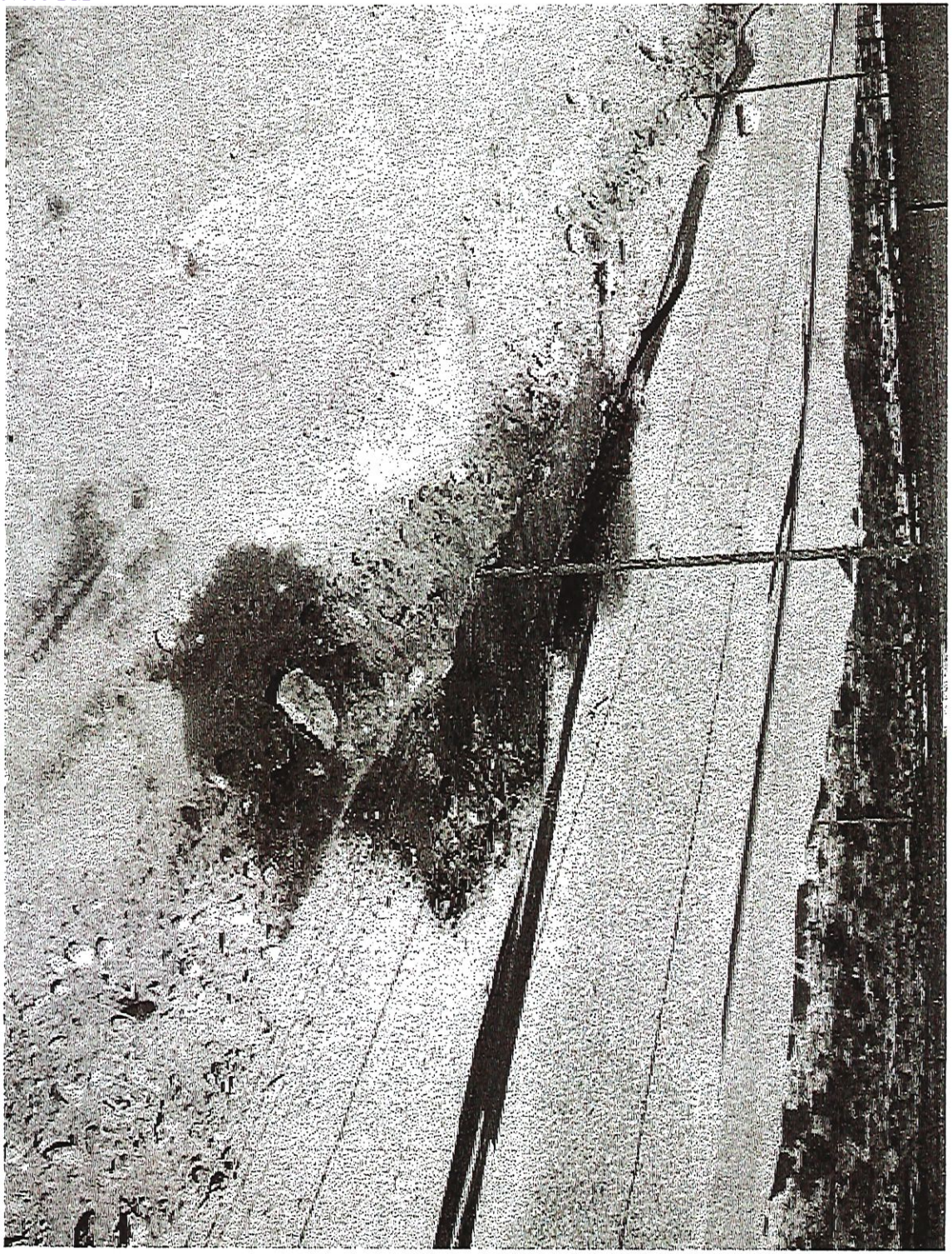
Thank you.

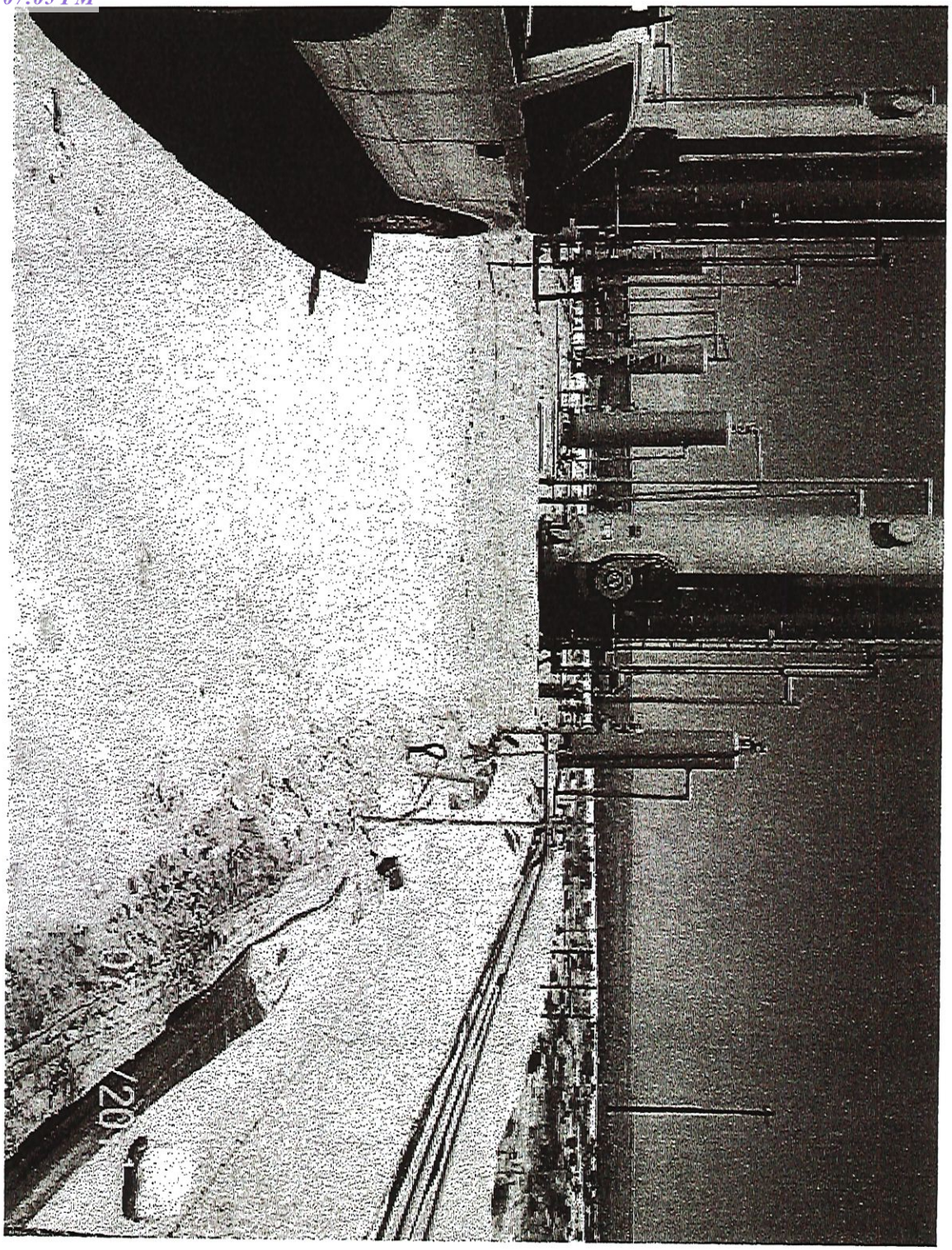
Robert Asher
Senior Environmental Regulatory Agent
Yates Petroleum Corporation
575-748-4217 (Direct)
575-365-4021 (Cell)
boba@yatespetroleum.com

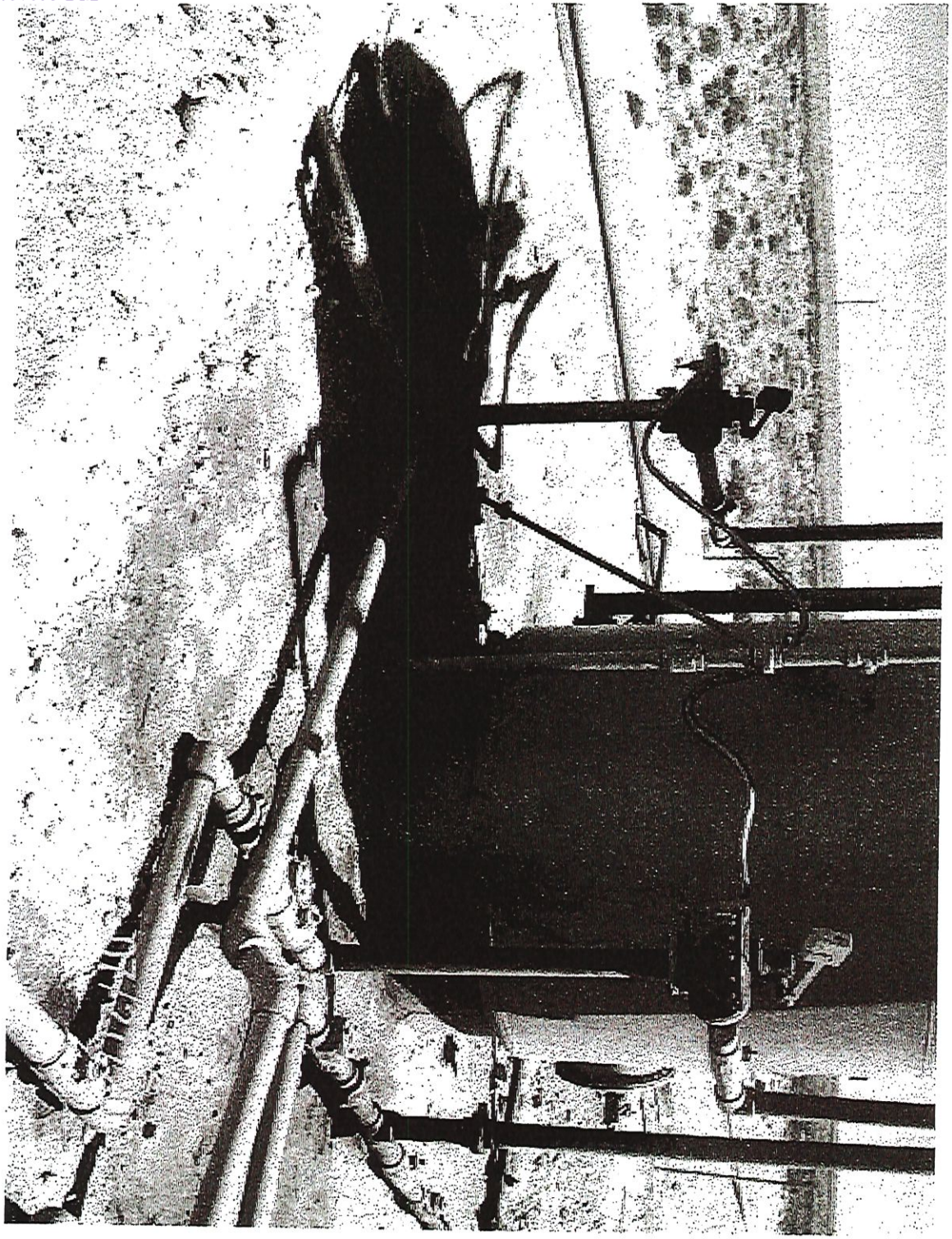


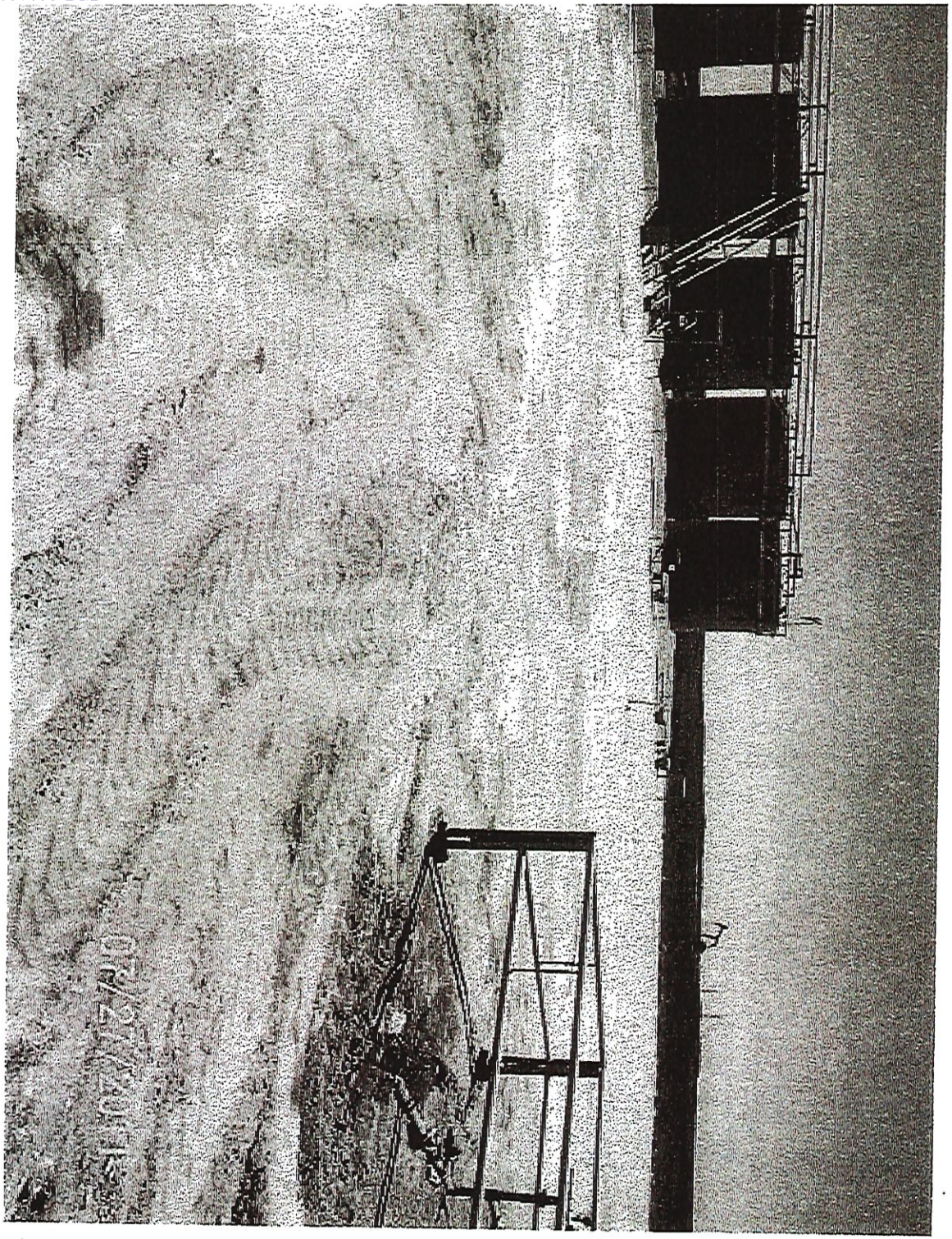


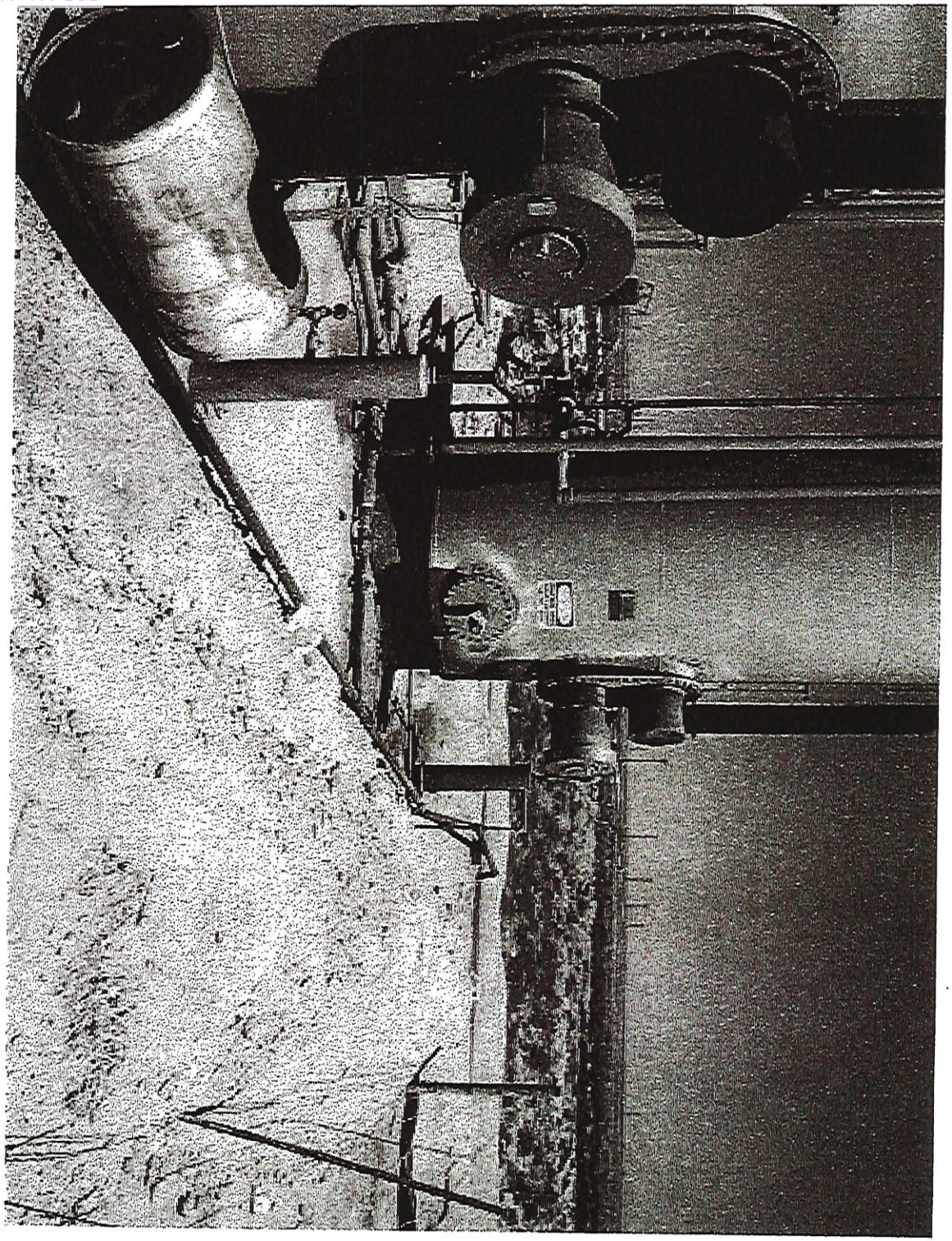


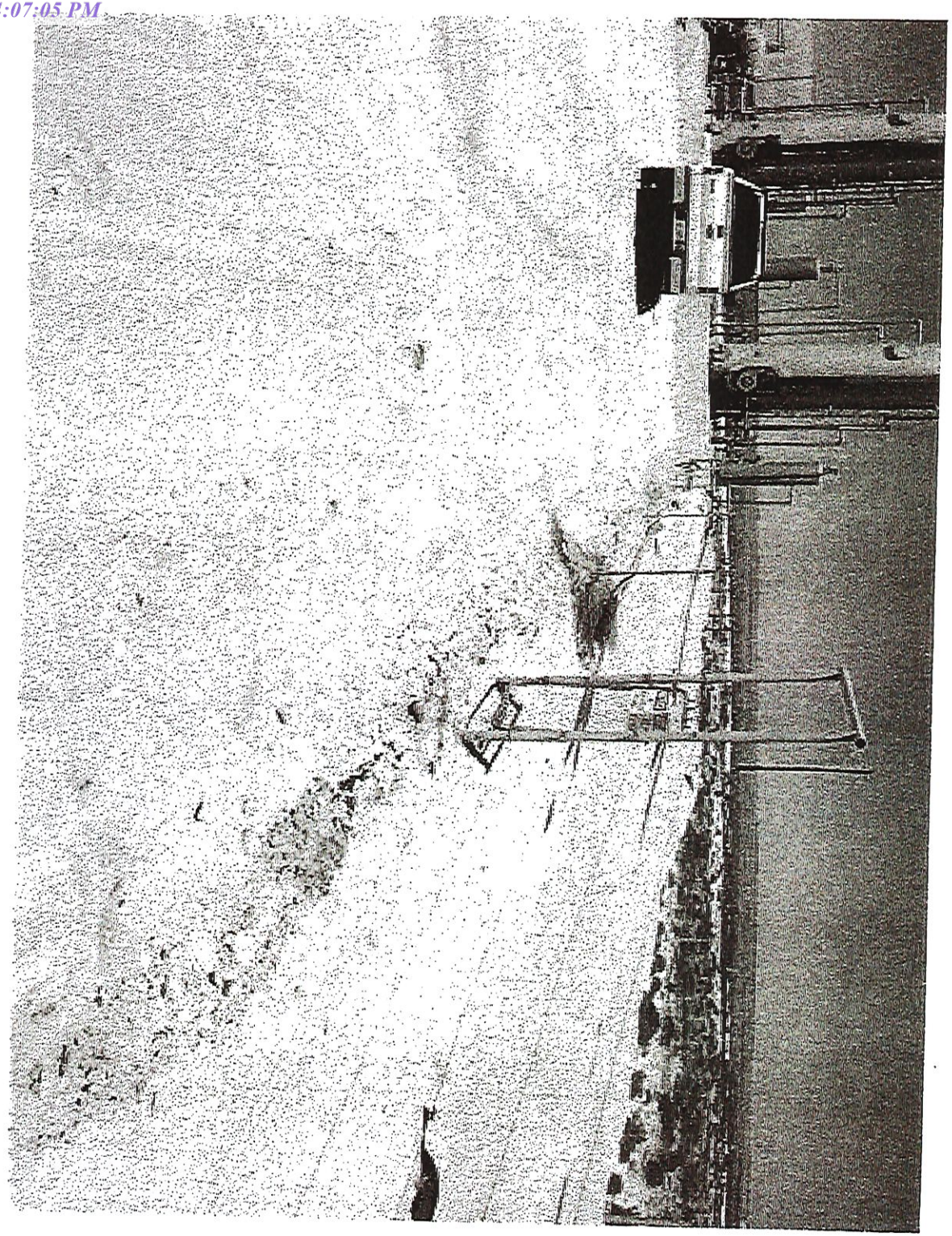












District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 77061

CONDITIONS

Operator: EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702	OGRID: 7377
	Action Number: 77061
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
jnobui	Case Closed. Case identical to nGRL1209339294 closed on 09/21/2021.	3/24/2022