

MARTIN YATES, III  
1912-1985

FRANK W. YATES  
1936-1986

S.P. YATES  
1914-2008



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (575) 748-1471

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May 7, 2012

Mr. Mike Bratcher  
NMOCD District II  
811 S. First Street  
Artesia, NM 88210

Re: Compromise SWD #1  
30-015-25665  
Section 30, T18S-R27E  
Eddy County, New Mexico



Dear Mr. Bratcher,

Enclosed please find a Form C-141, Final Report for the above captioned site regarding the release on March 16, 2012 (2RP-1078).

The volume of the release was 10 B/PW. A vacuum truck recovered 8 B/PW. The release volume that was lost was a only 2 bbls.

Vertical delineation samples were taken and sent to an NMOCD approved laboratory on 3/28/2012. Vertical delineation samples showed a high Chloride level at 1', and these impacted soils were excavated from the area and taken to a NMOCD approved disposal facility. Chloride levels are still slightly elevated at 2'; however, Yates Petroleum Corporation took a background field sample off the location in the field to the south. This sample was run for Chlorides in our lab and came back with a result of 1,134.496, which shows that chlorides are already elevated in the area. Enclosed are the analytical reports, results show TPH and BTEX, to be below RRAL's.

The likelihood of significant impact to ground water, surface water, human health or environmental health is limited due to a clay stratum found below the surface and above ground water.

Yates Petroleum Corporation requests closure based on impacted soils excavated/hailed, minimal release lost, background sample taken, and clay stratum presence.

If you have any questions, please call me at 575-748-4111.

Thank you.

Amber Cannon  
Environmental Regulatory Agent  
Enclosure(s)

## Amber Cannon

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**From:** Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>  
**Sent:** Monday, May 07, 2012 8:25 AM  
**To:** Amber Cannon  
**Subject:** RE: Compromsie SWD #1

Either would work for me, so whatever works best for you. I will approve the backfill now if you want to go ahead and get that going. - Mike

---

**From:** Amber Cannon [mailto:ACannon@yatespetroleum.com]  
**Sent:** Monday, May 07, 2012 8:23 AM  
**To:** Bratcher, Mike, EMNRD  
**Subject:** RE: Compromsie SWD #1

Mike,

Thanks for the response. One last question, would you prefer me to backfill the excavation before I submit the Final C-141 to our office or submit the Final C-141 first?

Thanks,  
Amber

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**From:** Bratcher, Mike, EMNRD [mailto:mike.bratcher@state.nm.us]  
**Sent:** Monday, May 07, 2012 8:16 AM  
**To:** Amber Cannon  
**Subject:** RE: Compromsie SWD #1

Amber,

I think we can go ahead and close this one out. Just mention in the closure request some of the things that will likely prevent the release from impacting ground water, surface water, human health, etc., such as, the "net" release volume was minimal (2 bbls), the elevated salts in the background sample, the extremely low porosity clay that overlays ground water, etc.

If you have any questions, let me know.

*Mike Bratcher*  
NMOCD District 2  
811 S. First Street  
Artesia, NM 88210  
575-748-1283 Ext. 108  
575-626-0857  
[mike.bratcher@state.nm.us](mailto:mike.bratcher@state.nm.us)

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**From:** Amber Cannon [mailto:ACannon@yatespetroleum.com]  
**Sent:** Friday, May 04, 2012 10:53 AM  
**To:** Bratcher, Mike, EMNRD  
**Subject:** RE: Compromsie SWD #1

Mike,

Per our phone conversation this morning, I went and took a background sample off the location pad to the south of this site. I ran the sample at our laboratory for Chlorides and came back with a result of 1134.50.

Thanks,  
Amber

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**From:** Bratcher, Mike, EMNRD [<mailto:mike.bratcher@state.nm.us>]  
**Sent:** Thursday, May 03, 2012 2:16 PM  
**To:** Amber Cannon  
**Subject:** RE: Compromsie SWD #1

Amber,

Just based on depth to ground water, I would be obligated to ask for a delineation of the site. Having worked a large release at that site several years ago, I would suggest possibly pulling a background sample in an area where the salt cedars were eradicated. I think a field analyses may show relatively high salts exist in that whole area. If so, we could possibly justify closure. A couple of other things to consider out there is, (1) there is a really nice clay seam that exists just under the thin topsoil layer, and (2) the shallow water at that site is likely Pecos River "bank storage" water and is likely fairly high in salt content also.

If you have any questions, call me and we can discuss options.

***Mike Bratcher***

NMOCD District 2  
811 S. First Street  
Artesia, NM 88210  
575-748-1283 Ext. 108  
575-626-0857  
[mike.bratcher@state.nm.us](mailto:mike.bratcher@state.nm.us)

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**From:** Amber Cannon [<mailto:ACannon@yatespetroleum.com>]  
**Sent:** Tuesday, May 01, 2012 1:38 PM  
**To:** Bratcher, Mike, EMNRD  
**Subject:** Compromsie SWD #1

Mike,

Would you accept closure request for 2RP-1078 (Compromise SWD #1) based on the following results? I had the first foot excavated to get rid of the 6530 chlorides.

## Compromise SWD #1

Analytical Report- H200746	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Cl
Comp - 1	Release Area	3/28/2012	Comp/Auger	1'	ND	ND	ND	ND	
Comp - 2	Release Area	3/28/2012	Comp/Auger	2'	ND	ND	ND	ND	

Site Ranking is TWENTY (20). Depth to Ground Water <50' (approx. 35').

All results are ppm. Chlorides for documentation.

Released: 10 B/PW; Recovered: 8 B/PW. Release Date: 3/16/2012

Thanks,

*Amber Cannon*

Environmental Regulatory Agent

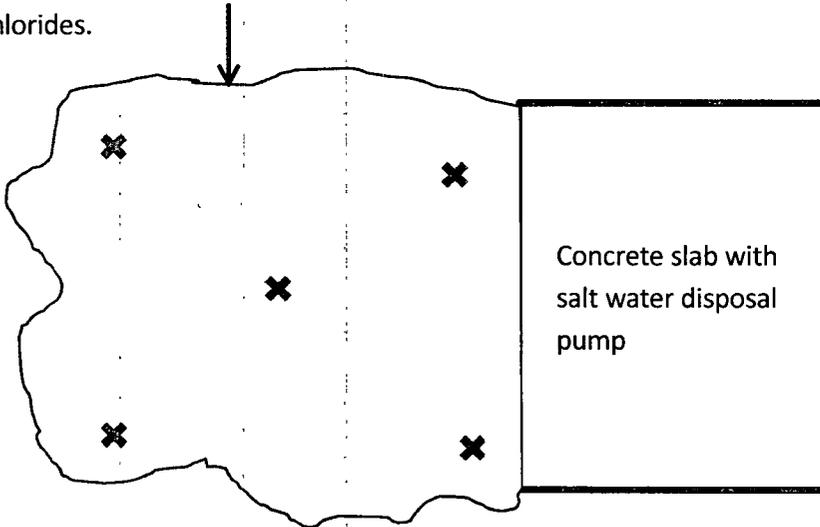
Yates Petroleum Corporation

Office: (575) 748-4111

Cell: (575)-513-8799



Release area. 5-point composite samples taken at 1' and 2' to determine contamination Excavated through 1' to remove 6530 chlorides.



LEASE ACCESS ROAD



Compromise SWD #1

30-015-25665

Section 30, T18S-R27E

Eddy County, NM

SAMPLE DIAGRAM(Not to Scale)

Cardinal Laboratories# H200746

Report Date: 4/4/2012

Prepared by Amber Cannon  
Environmental Regulatory Agent

## Compromise SWD #1

Analytical Report- H200746	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Comp - 1	Release Area	3/28/2012	Comp/Auger	1'	ND	ND	ND	ND	6530
Comp - 2	Release Area	3/28/2012	Comp/Auger	2'	ND	ND	ND	ND	2720

Site Ranking is **TWENTY (20)**. Depth to Ground Water <50' (approx. 35').

All results are ppm.Chlorides for documentation.

Released: 10 B/PW; Recovered: 8 B/PW. Release Date: 3/16/2012



PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

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April 04, 2012

AMBER CANNON

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

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RE: COMPROMISE SWD #1

Enclosed are the results of analyses for samples received by the laboratory on 03/29/12 9:40.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/ga/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/ga/lab_accred_certif.html).

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Celey D. Keene".

Celey D. Keene

Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 AMBER CANNON  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	03/29/2012	Sampling Date:	03/28/2012
Reported:	04/04/2012	Sampling Type:	Soil
Project Name:	COMPROMISE SWD #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-25665	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: COMP - 1 (H200746-01)**
**BTEX 8021B**

mg/kg

Analyzed By: AP

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/03/2012	ND	1.86	93.1	2.00	14.3	
Toluene*	<0.050	0.050	04/03/2012	ND	2.02	101	2.00	14.3	
Ethylbenzene*	<0.050	0.050	04/03/2012	ND	2.05	102	2.00	14.4	
Total Xylenes*	<0.150	0.150	04/03/2012	ND	6.34	106	6.00	14.9	

*Surrogate: 4-Bromofluorobenzene (PIL) 105 % 64 4-134*
**TPH 8015M**

mg/kg

Analyzed By: MS

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/29/2012	ND	183	91.7	200	6.89	
DRO >C10-C28	<10.0	10.0	03/29/2012	ND	178	88.8	200	8.58	

*Surrogate: 1-Chlorooctane 108 % 55.5-154*
*Surrogate: 1-Chlorooctadecane 112 % 57 6-158*

Cardinal Laboratories

\* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 AMBER CANNON  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	03/29/2012	Sampling Date:	03/28/2012
Reported:	04/04/2012	Sampling Type:	Soil
Project Name:	COMPROMISE SWD #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-25665	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: COMP - 2 (H200746-02)**

BTEX 8021B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/03/2012	ND	1.86	93.1	2.00	14.3	
Toluene*	<0.050	0.050	04/03/2012	ND	2.02	101	2.00	14.3	
Ethylbenzene*	<0.050	0.050	04/03/2012	ND	2.05	102	2.00	14.4	
Total Xylenes*	<0.150	0.150	04/03/2012	ND	6.34	106	6.00	14.9	

Surrogate 4-Bromofluorobenzene (PIL) 103 % 64.4-134

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/29/2012	ND	183	91.7	200	6.89	
DRO >C10-C28	<10.0	10.0	03/29/2012	ND	178	88.8	200	8.58	

Surrogate 1-Chlorooctane 120 % 55 5-154

Surrogate 1-Chlorooctadecane 121 % 57 6-158

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Celey D. Keene, Lab Director/Quality Manager

### Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

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Celey D. Keene, Lab Director/Quality Manager



April 04, 2012

AMBER CANNON

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

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RE: COMPROMISE SWD #1

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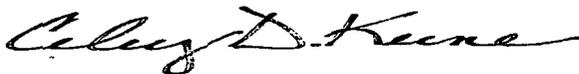
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Sincerely,



Celey D. Keene

Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 AMBER CANNON  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	03/29/2012	Sampling Date:	03/28/2012
Reported:	04/04/2012	Sampling Type:	Soil
Project Name:	COMPROMISE SWD.#1	Sampling Condition:	Cool & Intact
Project Number:	30-015-25665	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: COMP - 1 (H200746-01)**

Chloride, SM4500Cl-B	mg/kg	Analyzed By: AP							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
<b>Chloride</b>	<b>6530</b>	16.0	03/30/2012	ND	432	108	400	3.64	

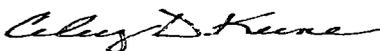
**Sample ID: COMP - 2 (H200746-02)**

Chloride, SM4500Cl-B	mg/kg	Analyzed By: AP							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
<b>Chloride</b>	<b>2720</b>	16.0	03/30/2012	ND	432	108	400	3.64	

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\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

### Notes and Definitions

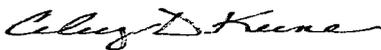
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- \*\* Samples not received at proper temperature of 6°C or below.
- \*\*\* Insufficient time to reach temperature.
- 
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
- Samples reported on an as received basis (wet) unless otherwise noted on report

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Celey D. Keene, Lab Director/Quality Manager

