

June 11, 2012

Mr. Mike Bratcher
Oil Conservation Division
Artesia, NM

Re: Boyd X State Com #12 Battery
30-015-28738
Section 16, T19S-R25E
Eddy County, New Mexico

Dear Mr. Bratcher:

Yates Petroleum Corp. would like to submit for your consideration the enclosed work plan for the above captioned well. The plan is being submitted in response to the C-141 report dated August 1, 2011.

If there are no objections with the scope of work described in the plan, Yates will have a contractor begin work on or after the week of June 25, 2012.

If you have any questions call me at 575-748-4311

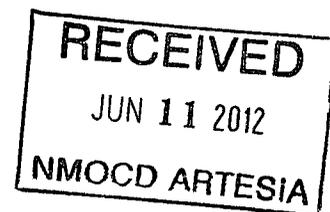
Thank you.

Yates Petroleum Corporation

Jeremy Haass
Environmental Regulatory Agent

Enclosure(s):

Diagram of Spill
Analytical Report H201271



2PA-1158

Yates Petroleum Corporation
Boyd X State Com #12 Battery Work Plan
Section 16, T19S-R25E
Eddy County, New Mexico
June 11, 2012

I. Location

Go south out of Artesia to Rockin R Road. Turn right for approx. 5 ½ miles. Turn right on lease road to Amole Battery. Turn right to location.

II. Background

On May 29, 2012 a release occurred of 53 B/O of which 0 B/O was recovered. Yates submitted a C-141 on June 1, 2012 to the NMOCD District II office. The total affected area was 5 yards x 5 yards. Initial delineation samples were taken (6/6/12) and sent to an NMOCD approved laboratory (6/11/12 results enclosed).

III. Surface and Ground Water

Area surface geology is Cenozoic. The nearest Depth to Groundwater record listed on the New Mexico Office of the State Engineer (Section 16, T19S-R25E) shows depth of groundwater to be approximately 95 feet making the site ranking for this site a zero (10). Watercourses in the area are dry except for infrequent flows in response to major precipitation events.

The ranking for this site is zero (0) based on the as following:

Depth to ground water	> 100'
Wellhead Protection Area	> 1000'
Distance to surface water body	> 1000'

IV. Soils

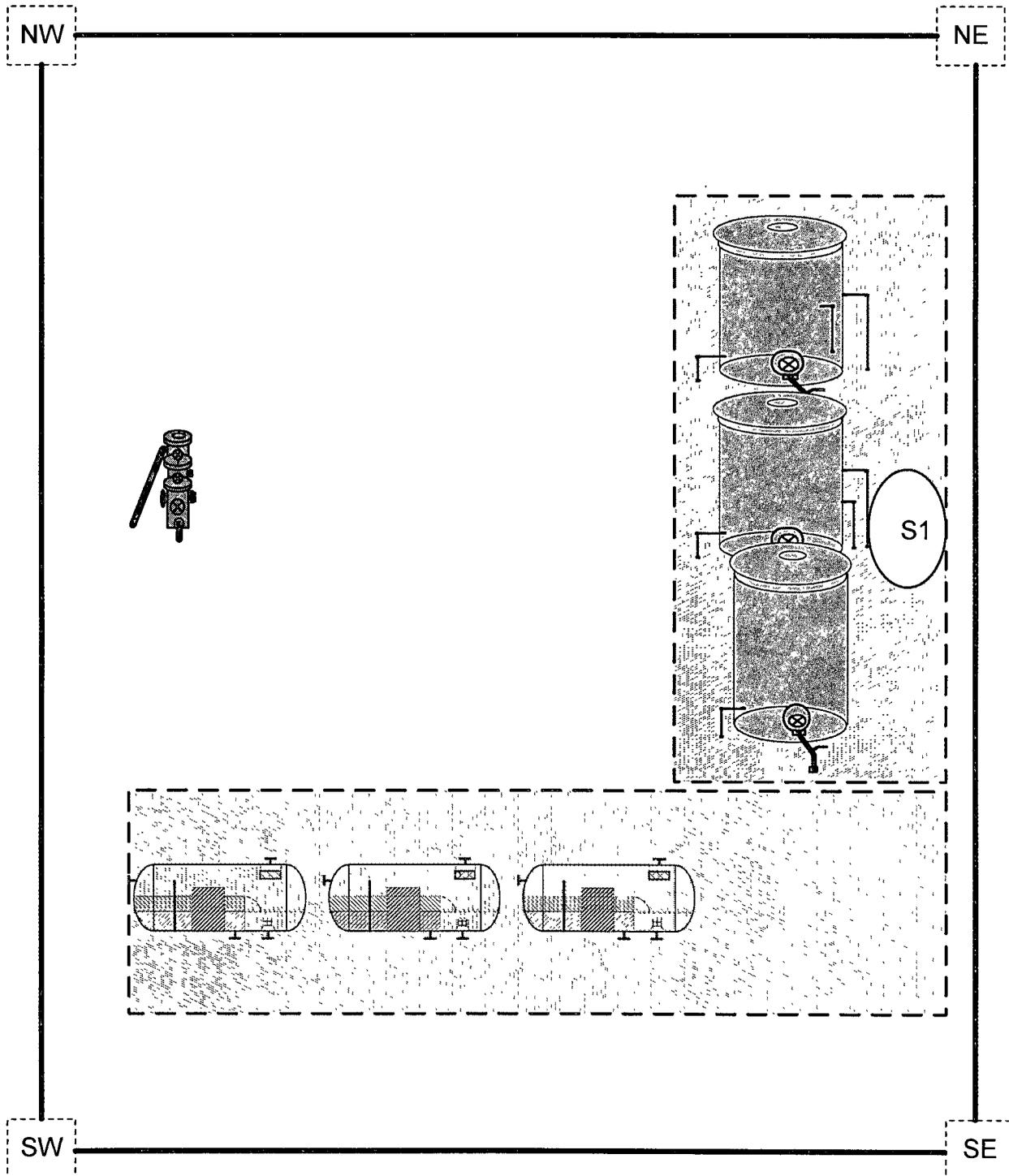
The area consists of soils that are caliche and interspersed with clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface.

V. Scope of Work

Upon approval of this work plan and based on the enclosed analytical results, Yates Petroleum Corp. will start by moving in a track hoe so deeper delineation is achievable to 20'. Once full delineation of the affected area has been achieved, impacted soils will be taken to an NMOCD approved facility for disposal. If at 20' Yates Petroleum Corp. has not determined the bottom of the impacted material efforts will be reevaluated and an "Addendum of the Scope of Work" will be submitted.

YATES PETROLEUM CORPORATION

Monday, June 11, 2012



Analytical Report H201271	Sample Date	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
S1 2'	6/6/2012	2'	883	13000	14700	27700	8130
S1 4'	6/6/2012	4'	797	6960	8110	15070	9860
S1 6'	6/6/2012	6'	627.6	4260	5200	9460	3160
S1 8'	6/6/2012	8'	604.6	3870	6440	10310	4320
S1 10'	6/6/2012	10'	1055	6290	9270	15560	5520
S1 12'	6/6/2012	12'	895.2	5190	7260	12450	3040
S1 14'	6/6/2012	14'	614.9	4870	8090	12960	208

Site Ranking is Zero (10). Depth to Ground Water <100' (approx. 95', per NMOSE).

All results are ppm. Chlorides for documentation.

Released: 53 B/O; Recovered: 0 B/O. Release Date: 5/29/2012