

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

JOHN A. YATES
CHAIRMAN OF THE BOARD

JOHN A. YATES JR.
PRESIDENT

SCOTT M. YATES
VICE PRESIDENT

JAMES S. BROWN
CHIEF OPERATING OFFICER

JOHN D. PERINI
CHIEF FINANCIAL OFFICER

October 28, 2010

Mr. Mike Bratcher
NMOCD District II
1301 West Grand
Artesia, NM 88210

Re: Biplane BNZ State Com. #1
30-005-63556
Section 16, T6S-R27E
Chaves County, New Mexico

Dear Mr. Bratcher,

Enclosed please find a Form C-141, Final Report for the above captioned site regarding the release on August 8, 2010 (10 B/O & 25 B/PW released with 5 B/O & 20 B/PW recovered). The C-141 Initial Report was submitted to your office on August 16, 2010. Vertical and horizontal delineation samples were taken and sent to an OCD approved laboratory, based on results the impacted soils were tilled. Vertical and horizontal delineation samples were taken again on October 14, 2010 and sent to an OCD approved laboratory. Enclosed are the analytical reports, results show TPH and BTEX, (chlorides are for documentation), to be below RRAL's based on a site ranking of zero (depth to ground water recorded at 125' per trend map); Yates Petroleum Corporation requests closure based on the corrective actions taken, released amounts recovered and analytical results.

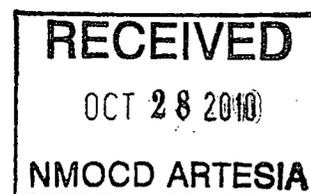
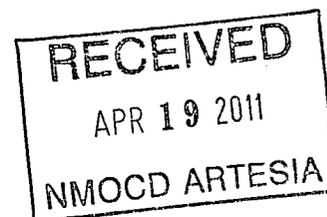
If you have any questions, please call me at 575-748-4217.

Thank you.

YATES PETROLEUM CORPORATION

Robert Asher
Environmental Regulatory Agent

/rca
Enclosure(s)



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 Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher	<div style="border: 2px solid black; padding: 5px;"> <p>RECEIVED</p> <p>APR 19 2011</p> <p>NMOCD ARTESIA</p> </div>
Address 104 S. 4 TH Street		Telephone No. 575-748-1471	
Facility Name Biplane BNZ State Com. #1	API Number 30-005-63556	Facility Type Battery	
Surface Owner State	Mineral Owner State	Lease No. VA-2494	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	16	6S	27E	660	North	660	East	Chaves

Latitude 33.79975 Longitude 104.19066

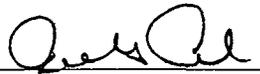
NATURE OF RELEASE

Type of Release Oil & Produced Water	Volume of Release 10 B/O & 25 B/PW	Volume Recovered 5 B/O & 20 B/PW	<div style="border: 2px solid black; padding: 5px;"> <p>RECEIVED</p> <p>OCT 28 2010</p> <p>NMOCD ARTESIA</p> </div>
Source of Release Water Tank	Date and Hour of Occurrence 8/8/2010 - AM	Date and Hour of Discovery 8/8/2010 - AM	
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD (voicemail and e-mail)		
By Whom? Robert Asher/YPC Environmental	Date and Hour 8/9/2010 - PM		
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.*
Oil and produced water released from water tank that ran over after pump failed from wiring being chewed off by cows. Vacuum truck was called.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 70' X 30' (all inside bermed battery). Vacuum truck picked up remaining oil and produced water. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides 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. If the analytical results are above the RRAL a work plan will be submitted to the OCD. Soils tilled within battery area, vertical and horizontal delineation samples were taken (10/14/2010) and analysis ran for TPH & BTEX (chlorides for documentation). **Depth to Ground Water: >100' (approximately 125' per trend map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on amounts recovered, enclosed analytical reports and site ranking of zero, 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: Robert Asher	Approved by District Supervisor:		
Title: Environmental Regulatory Agent	Approval Date:	Expiration Date:	
E-mail Address: boba@yatespetroleum.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: Thursday, October 28, 2010	Phone: 575-748-4217	2RP-	

* Attach Additional Sheets If Necessary

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

Form C-141
Revised October 10, 2003

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

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

Release Notification and Corrective Action

nkrw 1035448054

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Biplane BNZ State Com. #1	API Number 30-005-63556	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VA-2494
------------------------	------------------------	----------------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	16	6S	27E	660	North	660	East	Chaves

Latitude 33.79975 Longitude 104.19066

NATURE OF RELEASE

Type of Release Oil & Produced Water	Volume of Release 10 B/O & 25 B/PW	Volume Recovered 5 B/O & 20 B/PW
Source of Release Water Tank	Date and Hour of Occurrence 8/8/2010 - AM	Date and Hour of Discovery 8/8/2010 - AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD (voicemail and e-mail)	
By Whom? Robert Asher/YPC Environmental	Date and Hour 8/9/2010 - PM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.*
Oil and produced water released from water tank that ran over after pump failed from wiring being chewed off by cows. Vacuum truck was called.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 70' X 30' (all inside bermed battery). Vacuum truck picked up remaining oil and produced water. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides 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. If the analytical results are above the RRAL a work plan will be submitted to the OCD. **Depth to Ground Water: >100' (approximately 125' per trend map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0.**

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: <i>Robert Asher</i>	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by District Signatory <i>Mike Bratcher</i>	
Title: Environmental Regulatory Agent	Approval Date: <u>3/21/11</u>	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	
Date: Monday, August 16, 2010 Phone: 575-748-4217	Attached <input type="checkbox"/>	

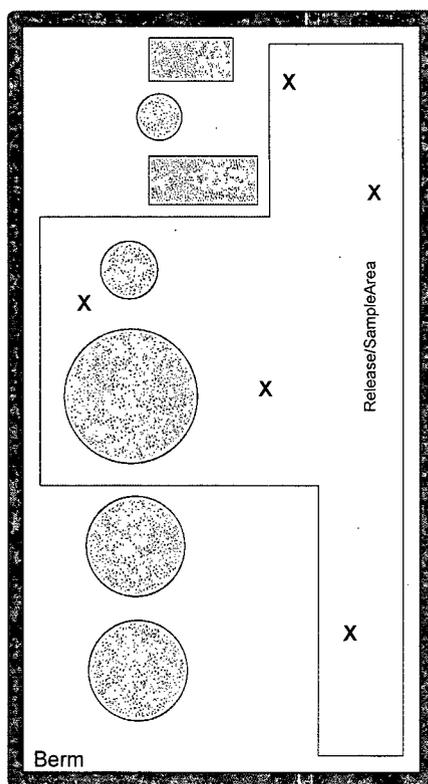
* Attach Additional Sheets If Necessary

4/21/11

2RP-503



Well Head



Lease Road

Lease Road

Sample ID	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Comp-00.5	Battery Area	10/14/2010	Grab/Auger	6"	0.4845	66.8	1140	1207	659
Comp-01.0	Battery Area	10/14/2010	Grab/Auger	12"	ND	ND	210	210	418
Comp-01.5	Battery Area	10/14/2010	Grab/Auger	18"	ND	ND	ND	ND	594

Site Ranking is Zero (0). Depth to Ground Water >100' (approx. 125', per Trend Map).

All results are ppm. Chloride results are for documentation. X - Sample Points



YATES
PETROLEUM
CORPORATION

Biplane BNZ State Com. #1

30-005-63556

Section 16, T6S-R27E

Chaves County, NM

SAMPLE DIAGRAM (Not to Scale)

Xenco: #393884 & 393889
October 20, 2010

Prepared by Robert Asher
Environmental Regulatory Agent

Analytical Report 393884

for

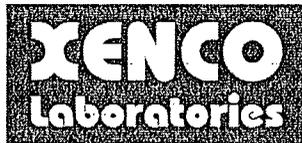
Yates Petroleum Corporation

Project Manager: Robert Asher

Biplane BNZ State Com. #1

30-005-63556

20-OCT-10



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 (AZ0738), 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-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370)

Xenco-Boca Raton (EPA Lab Code: FL01273):

Florida(E86240),South Carolina(96031001), Louisiana(04154), Georgia(917)
North Carolina(444), Texas(T104704468-TX), Illinois(002295), Florida(E86349)

Xenco Phoenix (EPA Lab Code: AZ00901):

Arizona(AZ0757), California(06244CA), Texas(104704435-10-2), Nevada(NAC-445A), DoD(65816)

Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)

Xenco Tucson (EPA Lab code:AZ000989): Arizona (AZ0758)



20-OCT-10

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

Reference: XENCO Report No: **393884**
Biplane BNZ State Com. #1
Project Address: Chaves County

Robert Asher:

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 - 393884. 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. 393884 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



Sample Cross Reference 393884



Yates Petroleum Corporation, Artesia, NM
Biplane BNZ State Com. #1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
Comp-00.5	S	Oct-14-10 09:43	6 - 6 In	393884-001
Comp-01.0	S	Oct-14-10 09:56	12 - 12 In	393884-002
Comp-01.5	S	Oct-14-10 10:08	18 - 18 In	393884-003



CASE NARRATIVE

Client Name: Yates Petroleum Corporation

Project Name: Biplane BNZ State Com. #1



Project ID: 30-005-63556

Work Order Number: 393884

Report Date: 20-OCT-10

Date Received: 10/15/2010

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-827789 TPH by SW 8015B

SW8015B_NM

Batch 827789, C6-C10 Gasoline Range Hydrocarbons recovered below QC limits in the Matrix Spike Duplicate.

Samples affected are: 393884-003, -002, -001.

The Laboratory Control Sample for C6-C10 Gasoline Range Hydrocarbons is within laboratory Control Limits

Batch: LBA-828119 BTEX by EPA 8021

SW8021BM

Batch 828119, 1,4-Difluorobenzene recovered below QC limits Data not confirmed by re-analysis. Samples affected are: 576435-1-BLK, 393884-003.

4-Bromofluorobenzene recovered above QC limits . Matrix interferences is suspected; data not confirmed by re-analysis

Samples affected are: 393884-001.

SW8021BM

Batch 828119, Benzene recovered below QC limits in the Matrix Spike. Ethylbenzene, Toluene, m,p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 393884-002, -003, -001.

The Laboratory Control Sample for Toluene, m,p-Xylenes , Benzene, Ethylbenzene, o-Xylene is within laboratory Control Limits



Certificate of Analysis Summary 393884

Yates Petroleum Corporation, Artesia, NM

Project Name: Biplane BNZ State Com. #1



Project Id: 30-005-63556

Contact: Robert Asher

Project Location: Chaves County

Date Received in Lab: Fri Oct-15-10 12:30 pm

Report Date: 20-OCT-10

Project Manager: Brent Barron, II

Analysis Requested	Lab Id:	393884-001	393884-002	393884-003			
	Field Id:	Comp-00.5	Comp-01.0	Comp-01.5			
	Depth:	6-6 in	12-12 in	18-18 in			
	Matrix:	SOIL	SOIL	SOIL			
	Sampled:	Oct-14-10 09:43	Oct-14-10 09:56	Oct-14-10 10:08			
BTEX by EPA 8021	Extracted:	Oct-18-10 13:30	Oct-18-10 13:30	Oct-18-10 13:30			
	Analyzed:	Oct-18-10 22:50	Oct-18-10 19:59	Oct-18-10 20:21			
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL			
Benzene		ND 0.0011	ND 0.0011	ND 0.0011			
Toluene		0.0107 0.0023	ND 0.0022	ND 0.0022			
Ethylbenzene		0.0405 0.0011	ND 0.0011	ND 0.0011			
m,p-Xylenes		0.2881 0.0023	ND 0.0022	ND 0.0022			
o-Xylene		0.1452 0.0011	ND 0.0011	ND 0.0011			
Xylenes, Total		0.4333 0.0011	ND 0.0011	ND 0.0011			
Total BTEX		0.4845 0.0011	ND 0.0011	ND 0.0011			
Percent Moisture	Extracted:	Oct-15-10 17:00	Oct-15-10 17:00	Oct-15-10 17:00			
	Analyzed:	Oct-15-10 17:00	Oct-15-10 17:00	Oct-15-10 17:00			
	Units/RL:	% RL	% RL	% RL			
Percent Moisture		11.2 1.00	8.27 1.00	7.71 1.00			
TPH by SW 8015B	Extracted:	Oct-15-10 15:00	Oct-15-10 15:00	Oct-15-10 15:00			
	Analyzed:	Oct-16-10 03:39	Oct-16-10 13:12	Oct-16-10 04:42			
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL			
C6-C10 Gasoline Range Hydrocarbons		66.8 16.9	ND 16.4	ND 16.3			
C10-C28 Diesel Range Hydrocarbons		1140 16.9	210 16.4	ND 16.3			
Total TPH		1207 16.9	210 16.4	ND 16.3			

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end use of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

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


Brent Barron, II
Odessa Laboratory Manager



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 effect the recovery of the spike concentration. This condition could also effect 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 MQL and above the SQL.
 - 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
- PQL** Practical Quantitation Limit

* Outside XENCO's scope of NELAC Accreditation.

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 - Corpus Christi - Midland/Odessa - Tampa - Miami - Latin America

	Phone	Fax
4143 Greenbriar Dr, Stafford, Tx 77477	(281) 240-4200	(281) 240-4280
9701 Harry Hines Blvd , Dallas, TX 75220	(214) 902 0300	(214) 351-9139
5332 Blackberry Drive, San Antonio TX 78238	(210) 509-3334	(210) 509-3335
2505 North Falkenburg Rd, Tampa, FL 33619	(813) 620-2000	(813) 620-2033
5757 NW 158th St, Miami Lakes, FL 33014	(305) 823-8500	(305) 823-8555
12600 West I-20 East, Odessa, TX 79765	(432) 563-1800	(432) 563-1713
842 Cantwell Lane, Corpus Christi, TX 78408	(361) 884-0371	(361) 884-9116



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 Corporation
 Date/Time: 10/15/10 12:30
 Lab ID #: 393884-TPH+BTEX / 393889-CC
 Initials: AM

Sample Receipt Checklist

1. Samples on ice?	Blue	<u>Water</u>	No	
2. Shipping container in good condition?	<u>Yes</u>	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	<u>Yes</u>	No	N/A	
4. Chain of Custody present?	<u>Yes</u>	No		
5. Sample instructions complete on chain of custody?	<u>Yes</u>	No		
6. Any missing / extra samples?	Yes	<u>No</u>		
7. Chain of custody signed when relinquished / received?	<u>Yes</u>	No		
8. Chain of custody agrees with sample label(s)?	<u>Yes</u>	No		
9. Container labels legible and intact?	<u>Yes</u>	No		
10. Sample matrix / properties agree with chain of custody?	<u>Yes</u>	No		
11. Samples in proper container / bottle?	<u>Yes</u>	No		
12. Samples properly preserved?	<u>Yes</u>	No	N/A	
13. Sample container intact?	<u>Yes</u>	No		
14. Sufficient sample amount for indicated test(s)?	<u>Yes</u>	No		
15. All samples received within sufficient hold time?	<u>Yes</u>	No		
16. Subcontract of sample(s)?	Yes	No	<u>N/A</u>	
17. VOC sample have zero head space?	<u>Yes</u>	No	N/A	
18. Cooler 1 No.	Cooler 2 No.	Cooler 3 No.	Cooler 4 No.	Cooler 5 No.
lbs 5.5 °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 393889

for

Yates Petroleum Corporation

Project Manager: Robert Asher

Biplane BNZ State Com. #1

30-005-63556

20-OCT-10



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 (AZ0738), 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-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370)

Xenco-Boca Raton (EPA Lab Code: FL01273):

Florida(E86240),South Carolina(96031001), Louisiana(04154), Georgia(917)
North Carolina(444), Texas(T104704468-TX), Illinois(002295), Florida(E86349)

Xenco Phoenix (EPA Lab Code: AZ00901):

Arizona(AZ0757), California(06244CA), Texas(104704435-10-2), Nevada(NAC-445A), DoD(65816)

Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)

Xenco Tucson (EPA Lab code:AZ000989): Arizona (AZ0758)



20-OCT-10

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

Reference: XENCO Report No: **393889**
Biplane BNZ State Com. #1
Project Address: Chaves County

Robert Asher:

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 393889. 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. 393889 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



Sample Cross Reference 393889



Yates Petroleum Corporation, Artesia, NM

Biplane BNZ State Com. #1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
Comp-00.5	S	Oct-14-10 09:43	6 - 6 In	393889-001
Comp-01.0	S	Oct-14-10 09:56	12 - 12 In	393889-002
Comp-01.5	S	Oct-14-10 10:08	18 - 18 In	393889-003



CASE NARRATIVE

Client Name: Yates Petroleum Corporation

Project Name: Biplane BNZ State Com. #1



Project ID: 30-005-63556
Work Order Number: 393889

Report Date: 20-OCT-10
Date Received: 10/15/2010

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None



Certificate of Analysis Summary 393889

Yates Petroleum Corporation, Artesia, NM

Project Name: Biplane BNZ State Com. #1



Project Id: 30-005-63556

Contact: Robert Asher

Project Location: Chaves County

Date Received in Lab: Fri Oct-15-10 12:30 pm

Report Date: 20-OCT-10

Project Manager: Brent Barron, II

<i>Analysis Requested</i>	<i>Lab Id:</i>	393889-001	393889-002	393889-003			
	<i>Field Id:</i>	Comp-00.5	Comp-01.0	Comp-01.5			
	<i>Depth:</i>	6-6 in	12-12 in	18-18 in			
	<i>Matrix:</i>	SOIL	SOIL	SOIL			
	<i>Sampled:</i>	Oct-14-10 09:43	Oct-14-10 09:56	Oct-14-10 10:08			
Anions in Soil By EPA 300.0	<i>Extracted:</i>						
	<i>Analyzed:</i>	Oct-15-10 17:55	Oct-15-10 18:16	Oct-15-10 18:37			
	<i>Units/RL:</i>	mg/kg RL	mg/kg RL	mg/kg RL			
Chloride		659 9.51	418 9.16	594 9.10			
Percent Moisture	<i>Extracted:</i>						
	<i>Analyzed:</i>	Oct-15-10 17:00	Oct-15-10 17:00	Oct-15-10 17:00			
	<i>Units/RL:</i>	% RL	% RL	% RL			
Percent Moisture		11.7 1.00	8.27 1.00	7.71 1.00			

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end use of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

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


 Brent Barron, II
 Odessa Laboratory Manager



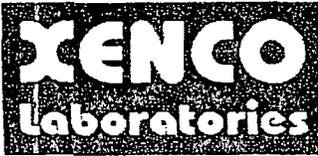
Flagging Criteria

- 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 effect the recovery of the spike concentration. This condition could also effect 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 MQL and above the SQL.
 - 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
 - PQL** Practical Quantitation Limit
- * Outside XENCO's scope of NELAC Accreditation.

*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 - Corpus Christi - Midland/Odessa - Tampa - Miami - Latin America

	Phone	Fax
4143 Greenbriar Dr, Stafford, Tx 77477	(281) 240-4200	(281) 240-4280
9701 Harry Hines Blvd , Dallas, TX 75220	(214) 902 0300	(214) 351-9139
5332 Blackberry Drive, San Antonio TX 78238	(210) 509-3334	(210) 509-3335
2505 North Falkenburg Rd, Tampa, FL 33619	(813) 620-2000	(813) 620-2033
5757 NW 158th St, Miami Lakes, FL 33014	(305) 823-8500	(305) 823-8555
12600 West I-20 East, Odessa, TX 79765	(432) 563-1800	(432) 563-1713
842 Cantwell Lane, Corpus Christi, TX 78408	(361) 884-0371	(361) 884-9116



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 Corporation
 Date/Time: 10/15/10 12:30
 Lab ID #: 393884-TPH+BTEX / 393889-CE
 Initials: AM

Sample Receipt Checklist

1. Samples on ice?	Blue	<u>Water</u>	No	
2. Shipping container in good condition?	<u>Yes</u>	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	<u>Yes</u>	No	N/A	
4. Chain of Custody present?	<u>Yes</u>	No		
5. Sample instructions complete on chain of custody?	<u>Yes</u>	No		
6. Any missing / extra samples?	Yes	<u>No</u>		
7. Chain of custody signed when relinquished / received?	<u>Yes</u>	No		
8. Chain of custody agrees with sample label(s)?	<u>Yes</u>	No		
9. Container labels legible and intact?	<u>Yes</u>	No		
10. Sample matrix / properties agree with chain of custody?	<u>Yes</u>	No		
11. Samples in proper container / bottle?	<u>Yes</u>	No		
12. Samples properly preserved?	<u>Yes</u>	No	N/A	
13. Sample container intact?	<u>Yes</u>	No		
14. Sufficient sample amount for indicated test(s)?	<u>Yes</u>	No		
15. All samples received within sufficient hold time?	<u>Yes</u>	No		
16. Subcontract of sample(s)?	Yes	No	<u>N/A</u>	
17. VOC sample have zero head space?	<u>Yes</u>	No	N/A	
18. Cooler 1 No.	Cooler 2 No.	Cooler 3 No.	Cooler 4 No.	Cooler 5 No.
lbs 55 °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