

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

30-015-26914

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. 505-748-1471 |
| Facility Name Foster AN Battery | API Number | Facility Type Battery |

| | | |
|----------------------|--------------------------|-----------|
| Surface Owner Fee | Mineral Owner Federal | Lease No. |
|----------------------|--------------------------|-----------|

LOCATION OF RELEASE

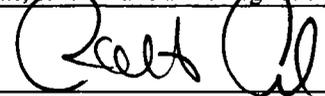
| | | | | | | | | |
|------------------|--------------|-----------------|--------------|---------------|------------------|---------------|----------------|----------------|
| Unit Letter A | Section 1 | Township 20S | Range 24E | Feet from the | North/South Line | Feet from the | East/West Line | County Eddy |
|------------------|--------------|-----------------|--------------|---------------|------------------|---------------|----------------|----------------|

Latitude 32.60817 Longitude 104.53428

NATURE OF RELEASE

| | | |
|---|--|--|
| Type of Release Produced Water | Volume of Release 260 B/PW | Volume Recovered 250 B/PW |
| Source of Release Water Pump | Date and Hour of Occurrence 6/11/2006 - PM | Date and Hour of Discovery 6/11/2006 - PM |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Mike Bratcher, OCD, District II (Telephone & E-mail) | |
| By Whom? Bob Asher, Yates Petroleum Corporation | Date and Hour 6/12/2006, 3:49 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.* Water pump failed. Called vacuum truck. | | |
| Describe Area Affected and Cleanup Action Taken.* An approximate area of 30' X 10'. Vacuum truck picked up standing fluids. Area to be evaluated. Depth to Ground Water: >100', Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on enclosed analytical results, Yates is requesting closure of site. | | |

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@ypcnm.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: Thursday, February 22, 2007 | Phone: 505-748-1471 | |

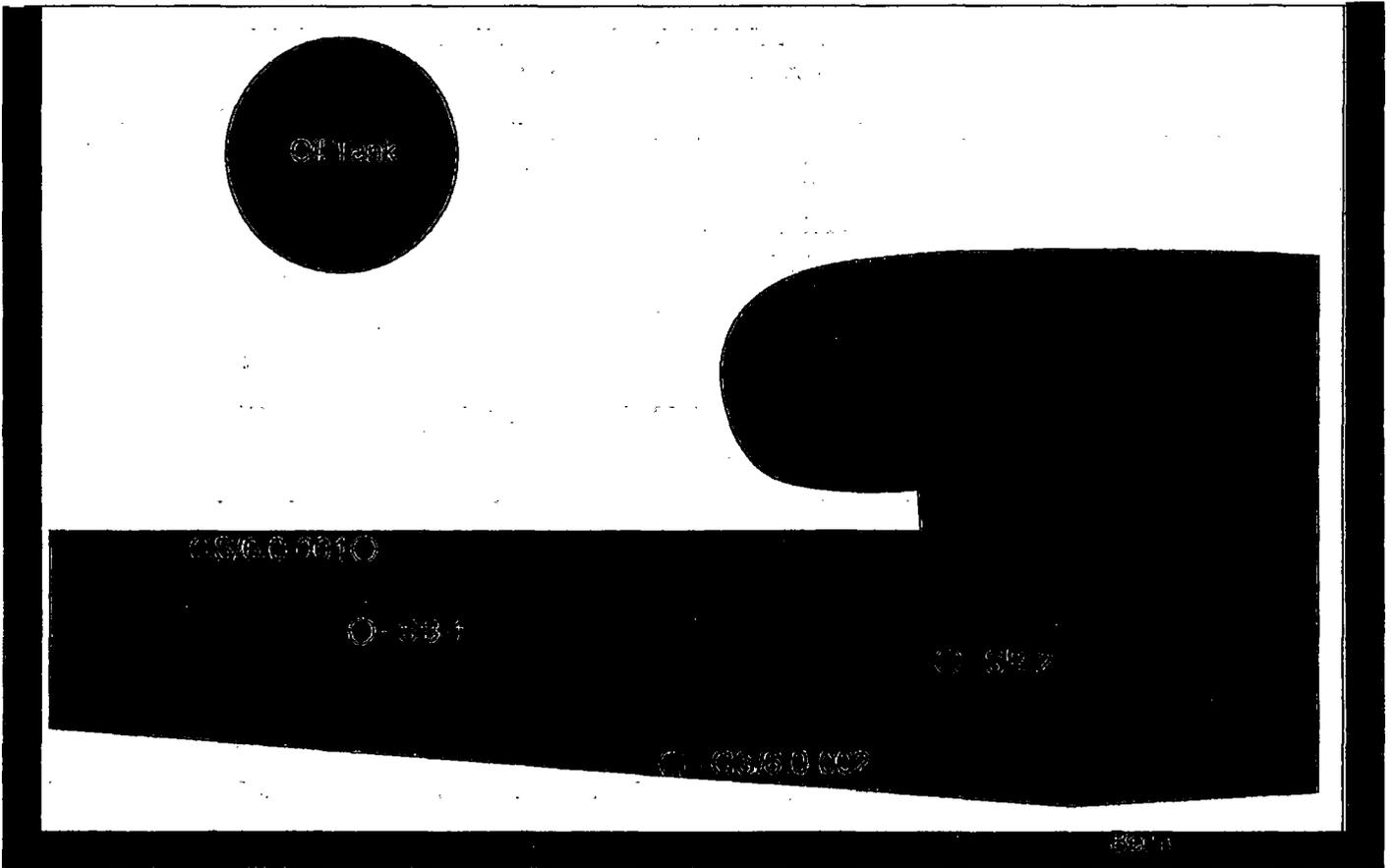
* Attach Additional Sheets If Necessary

30-015-26914



| Sample ID | Sample Date | Sample Type | Depth | TPH | BTEX | Comments |
|------------|-------------|-------------|---------|------|------|-----------------------------|
| SB-1 14-15 | 2/13/2007 | Grab | 14-15' | 22.3 | ND | Bottom Excavation/West Side |
| SB-1 18-19 | 2/13/2007 | Grab | 18-19' | ND | ND | Bottom Excavation/West Side |
| SB-1 21-22 | 2/13/2007 | Grab | 21-22' | ND | ND | Bottom Excavation/West Side |
| | | | | | | |
| SB-2 14-15 | 2/13/2007 | Grab | 14-15' | ND | ND | Bottom Excavation/East Side |
| SB-2 18-19 | 2/13/2007 | Grab | 18-19' | ND | ND | Bottom Excavation/East Side |
| SB-2 22-23 | 2/13/2007 | Grab | 22-23' | ND | ND | Bottom Excavation/East Side |
| | | | | | | |
| CS/C 0 001 | 2/14/2007 | Grab | 6' X 1' | ND | ND | North Side Wall/West Side |
| | | | | | | |
| CS/C 0 002 | 2/14/2007 | Grab | 6' X 1' | ND | ND | South Side Wall/East Side |

Note: All results are PPM



Foster AN Battery

Section 1, T20S-R24E

Eddy County, NM

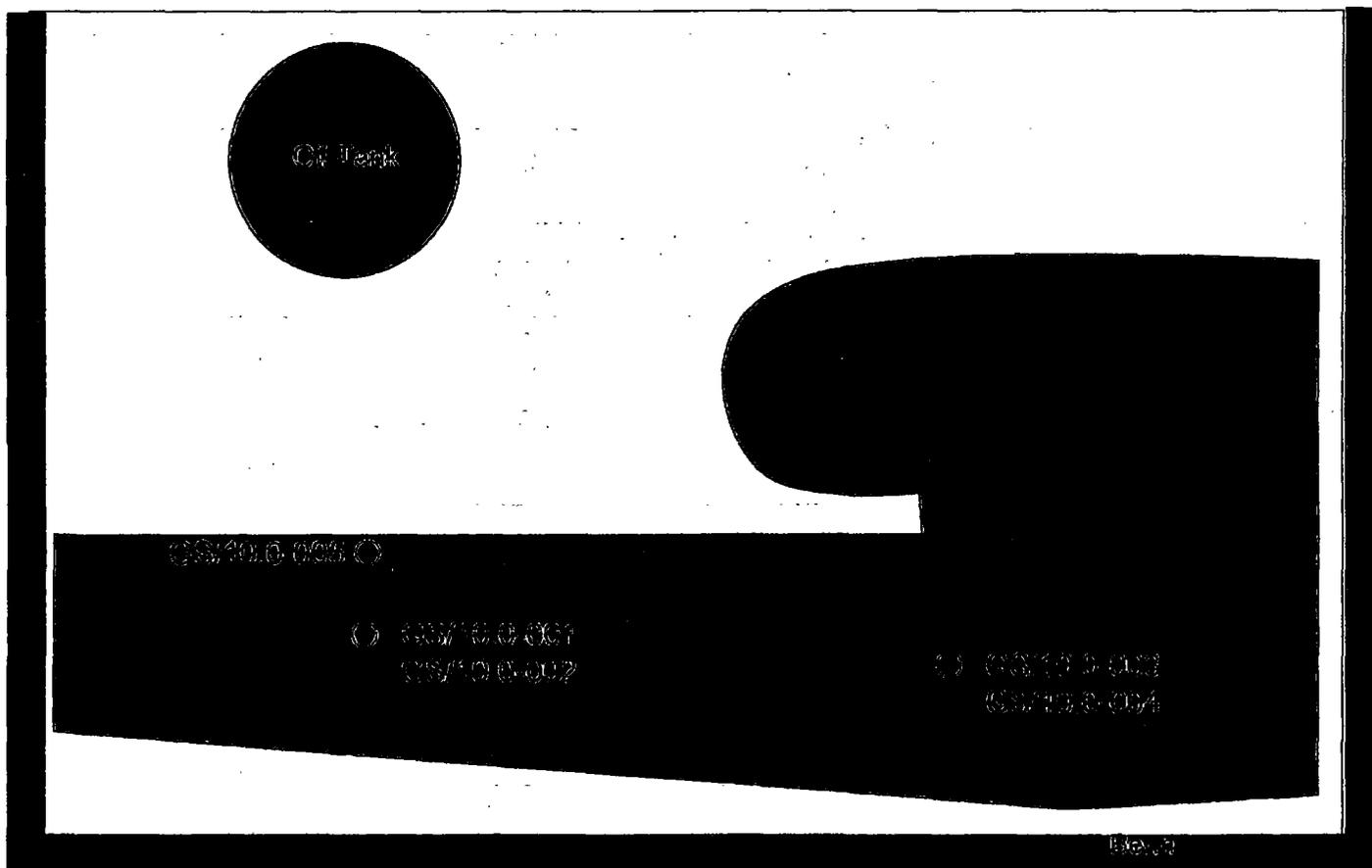
EXHIBIT 1
Sample Diagram
 (Not to Scale)

Prepared by Robert Asher
 Environmental Regulatory Agent
 February 22, 2007



| Sample ID | Sample Date | Sample Type | Depth | TPH | BTEX | Comments |
|-------------|-------------|-------------|---------|-------|--------|-----------------------------|
| GS/10.0-001 | 1/9/2007 | Grab | 10' | 6660 | 97.24 | Bottom Excavation/West Side |
| GS/10.0-002 | 1/9/2007 | Grab | 11' | 7780 | 110.50 | Bottom Excavation/West Side |
| GS/10.0-003 | 1/9/2007 | Grab | 10' | 11300 | 131.53 | Bottom Excavation/East Side |
| GS/10.0-004 | 1/9/2007 | Grab | 11' | 9500 | 125.63 | Bottom Excavation/East Side |
| GS/10.0-005 | 1/9/2007 | Grab | 6' X 1' | 5350 | 100.78 | North Side Wall/West Side |

Note: All results are PPM. An additional 3' of soils were excavated from the side wall (GS/10.0-005).



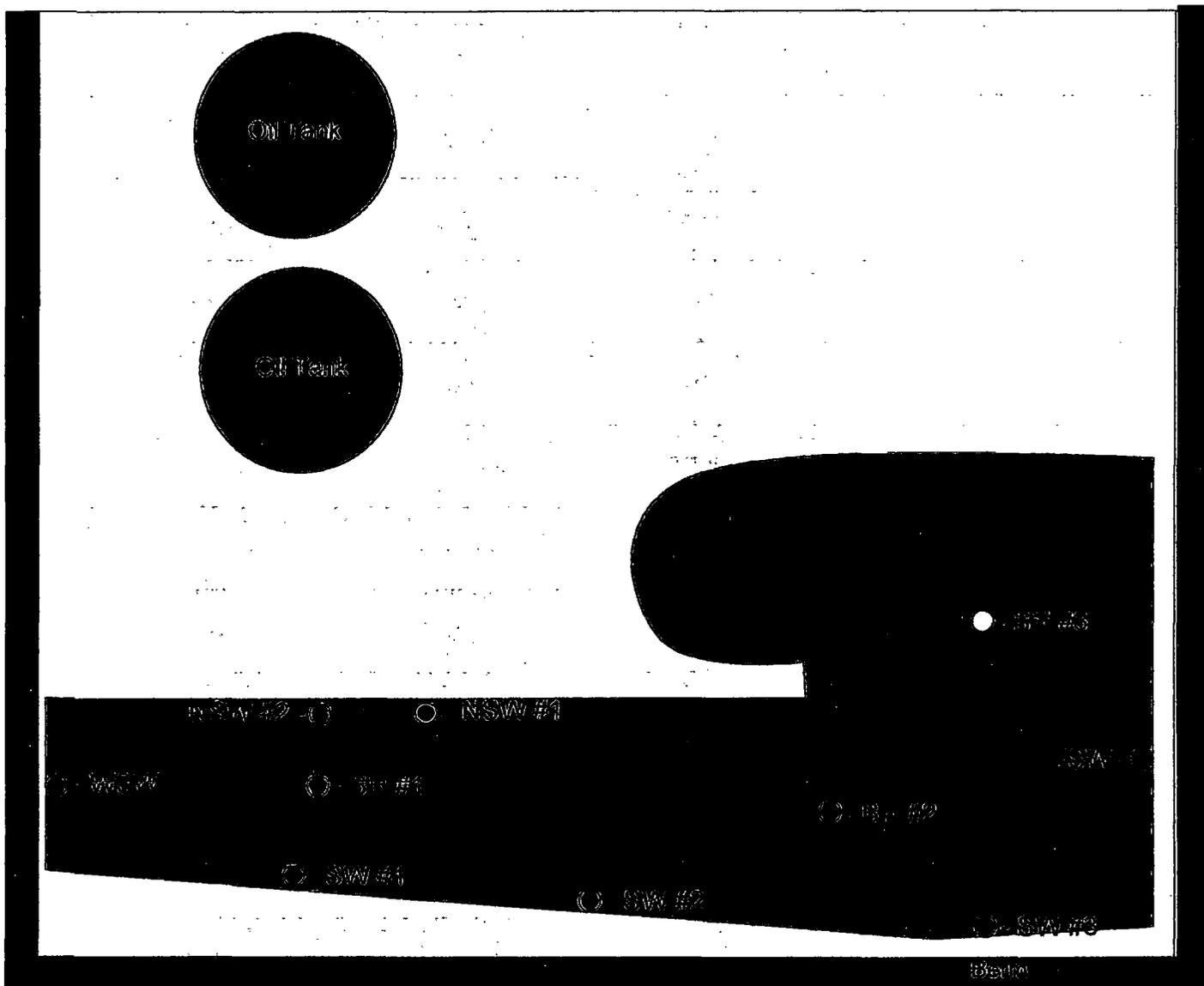
Foster AN Battery

Section 1, T20S-R24E

Eddy County, NM

EXHIBIT 1
Sample Diagram
 (Not to Scale)

Prepared by Robert Asher
 Environmental Regulatory Agent
 February 22, 2007



Foster AN Battery

Section 1, T20S-R24E

Eddy County, NM

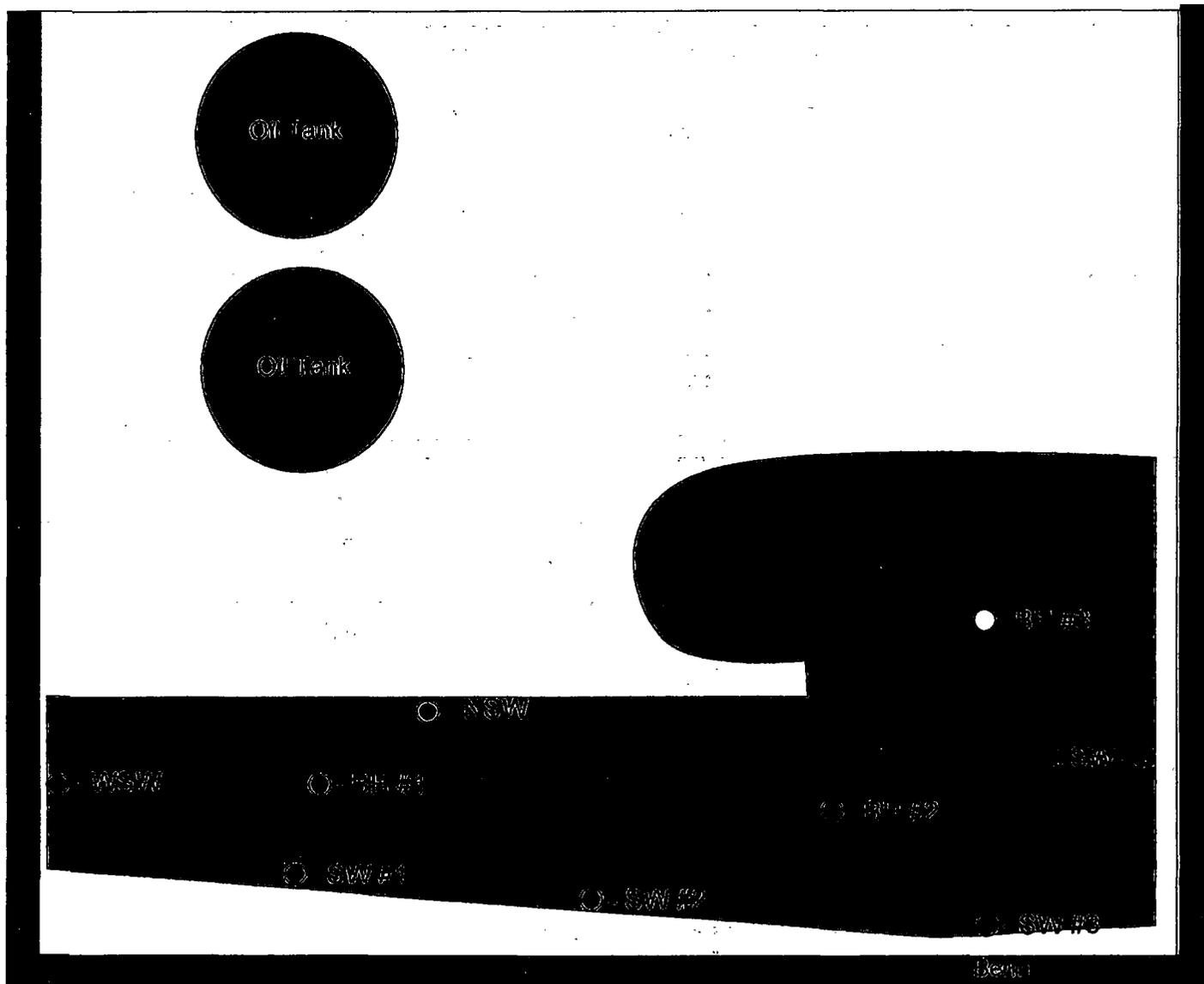
EXHIBIT 1
Sample Diagram
(Not to Scale)

Prepared by Robert Asher
Environmental Regulatory Agent
February 22, 2007

| Sample ID | Sample Date | Depth | TPH | BTEX | Chlorides |
|-----------|--------------|---------|--------|--------|-----------|
| BH-1 | 10/16/2006 * | 4' | 7,600 | 157.35 | 149 |
| | 10/27/2006 * | 6' | 8,300 | 137.77 | 13.9 |
| | 12/20/2006 | 8' | 7,500 | 84.75 | |
| | 1/9/2007 | 10' | 6,660 | 97.24 | 58.2 |
| | 1/9/2007 | 11' | 7,780 | 110.5 | 62.9 |
| BH-2 | 10/16/2006 * | 4' | 8,950 | 170.26 | 106 |
| | 10/27/2006 * | 6' | 11,900 | 116.04 | 21.2 |
| | 12/20/2006 | 8' | 12,500 | 73.47 | |
| | 1/9/2007 | 10' | 11,300 | 131.53 | 76.5 |
| | 1/9/2007 | 11' | 9,500 | 125.63 | 46.6 |
| BH-3 | 10/16/2006 | 4' | ND | ND | 117 |
| SW-1 | 12/13/2006 | 6' X 1' | 19,330 | | |
| | 12/13/2006 | 6' X 2' | 6,490 | | |
| | 12/13/2006 | 6' X 3' | 800 | | |
| SW-2 | 10/16/2006 * | 6' X 1' | 13,800 | 131.24 | 107 |
| | 12/13/2006 | 6' X 1' | 250 | | |
| | 12/13/2006 | 6' X 2' | | | |
| | 12/13/2006 | 6' X 3' | | | |
| SW-3 | 10/16/2006 | 4' X 1' | 106 | 0.2644 | 128 |
| NSW-1 | 10/16/2006 * | 4' X 1' | 3,530 | 26.592 | 160 |
| | 11/27/2006 | 6' X 1' | 90 | | |
| NSW-2 | 1/9/2007 | 6' X 1' | 5,350 | 100.78 | 1.45 |
| WSW | 11/27/2006 | 6' X 1' | 100 | | |
| ESW | 10/16/2006 * | 6' X 1' | 11,200 | 326.25 | 106 |
| | 10/27/2006 | 6' X 1' | ND | ND | 82.9 |

* - Indicates further excavating of materials.

Yates would like to close site based on depth to ground water is greater than 100'.
Site Ranking is 0. Releases were produced water (30 B/PW released, 20 B/PW recovered, 12/21/2005 and 260 B/PW released, 250 B/PW recovered, 7/13/2006)
Chloride testing results were no greater than 160 ppm.



Foster AN Battery

Section 1, T20S-R24E

Eddy County, NM

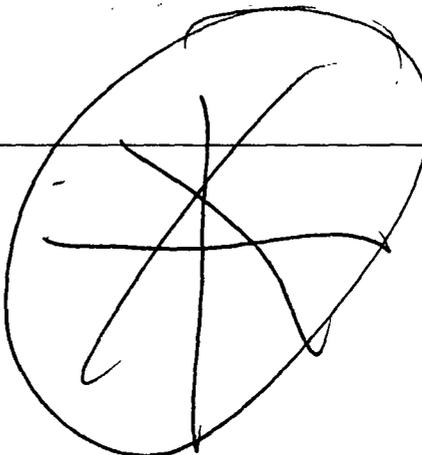
EXHIBIT 1
Sample Diagram
(Not to Scale)

Prepared by Robert Asher
Environmental Regulatory Agent
January 8, 2007

| Sample ID | Sample Date | Depth | TPH | BTEX | Chlorides |
|-----------|--------------|---------|--------|--------|-----------|
| BH-1 | 10/16/2006 * | 4' | 7,600 | 157.35 | 149 |
| | 10/27/2006 * | 6' | 8,300 | 137.77 | 13.9 |
| | 12/20/2006 | 8' | 7,500 | 84.75 | |
| BH-2 | 10/16/2006 * | 4' | 8,950 | 170.26 | 106 |
| | 10/27/2006 * | 6' | 11,900 | 116.04 | 21.2 |
| | 12/20/2006 | 8' | 12,500 | 73.47 | |
| BH-3 | 10/16/2006 | 4' | ND | ND | 117 |
| SW-1 | 12/13/2006 | 6' X 1' | 19,330 | | |
| | 12/13/2006 | 6' X 2' | 6,490 | | |
| | 12/13/2006 | 6' X 3' | 800 | | |
| SW-2 | 10/16/2006 * | 6' X 1' | 13,800 | 131.24 | 107 |
| | 12/13/2006 | 6' X 1' | 250 | | |
| | 12/13/2006 | 6' X 2' | | | |
| | 12/13/2006 | 6' X 3' | | | |
| SW-3 | 10/16/2006 | 4' X 1' | 106 | 0.2644 | 128 |
| NSW | 10/16/2006 * | 4' X 1' | 3,530 | 26.592 | 160 |
| | 11/27/2006 | 6' X 1' | 90 | | |
| WSW | 11/27/2006 | 6' X 1' | 100 | | |
| ESW | 10/16/2006 * | 6' X 1' | 11,200 | 326.25 | 106 |
| | 10/27/2006 | 6' X 1' | ND | ND | 82.9 |

Bratcher, Mike, EMNRD

From: Bob Asher [boba@YPCNM.COM]
Sent: Friday, June 22, 2007 11:03 AM
To: Bratcher, Mike, EMNRD
Cc: Jerry Fanning
Subject: Final C-141's



Mike,

Final C-141's for the following locations have been submitted to your office.

Arrow ARW Federal Com. #1
30-015-28898
Section 11, T19S-R25E
Submitted: February 26, 2007

Nicholas BJ #2
30-015-23447
Section 5, T19S-R25E
Submitted: August 16, 2006
Submitted: February 26, 2007 (C-144)

~~Foster-AN-Battery~~
~~Section 1, T20S-R24E~~
~~Submitted: February 23, 2007 (12/20/2005 release)~~
~~Submitted: February 23, 2007 (6/11/2006 release)~~

Ferguson IF #1
30-015-22215
Section 28, T18S-R26E
Submitted: March 8, 2007

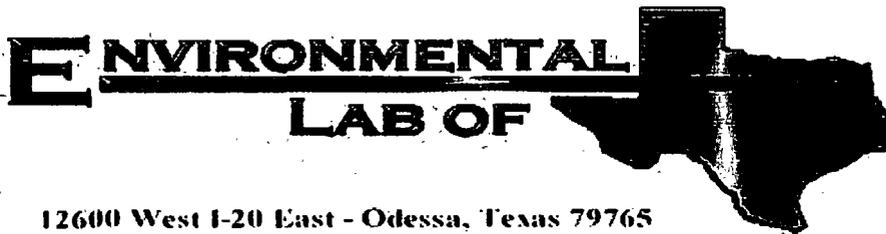
Currently these sites have open excavations that need to be backfilled as soon as possible for safety issues or prevention of contamination if a release occurred. Yates Petroleum Corporation would like to request verbal permission to begin backfilling procedures or Yates would like to consider these sites approved so work can commence.

If you have any questions please call.

Thank you.

Robert Asher
Yates Petroleum Corporation
505-748-4217 (Office)
505-748-4662 (Fax)
505-365-4021 (Cell)

This inbound email has been scanned by the MessageLabs Email Security System.



12600 West I-20 East - Odessa, Texas 79765

A Xenco Laboratories Company

Analytical Report

Prepared for:

Kyle Waggoner

Talon LPE

9 East Industrial Loop

Midland, TX 79701

Project: Foster AN 2 & 3

Project Number: YATESP023SPL

Location: South of Artesia

Lab Order Number: 7B14007

Report Date: 02/20/07

Talon LPE
9 East Industrial Loop
Midland TX, 79701

Project: Foster AN 2 & 3
Project Number: YATESP023SPL
Project Manager: Kyle Waggoner

Fax: (432) 522-2180

ANALYTICAL REPORT FOR SAMPLES

| Sample ID | Laboratory ID | Matrix | Date Sampled | Date Received |
|------------|---------------|--------|----------------|------------------|
| SB-1 14-15 | 7B14007-01 | Soil | 02/13/07 12:15 | 02-14-2007 13:17 |
| SB-1 18-19 | 7B14007-02 | Soil | 02/13/07 12:30 | 02-14-2007 13:17 |
| SB-1 21-22 | 7B14007-03 | Soil | 02/13/07 13:00 | 02-14-2007 13:17 |
| SB-2 14-15 | 7B14007-04 | Soil | 02/13/07 14:20 | 02-14-2007 13:17 |
| SB-2 18-19 | 7B14007-05 | Soil | 02/13/07 14:45 | 02-14-2007 13:17 |
| SB-2 22-23 | 7B14007-06 | Soil | 02/13/07 15:10 | 02-14-2007 13:17 |

Talon LPE
 9 East Industrial Loop
 Midland TX, 79701

Project: Foster AN 2 & 3
 Project Number: YATESP023SPL
 Project Manager: Kyle Waggoner

Fax: (432) 522-2180

Organics by GC
Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|-------------------------------------|--------|-----------------|-----------|----------|---------|----------|----------|-----------|-------|
| SB-1 14-15 (7B14007-01) Soil | | | | | | | | | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EB71409 | 02/14/07 | 02/17/07 | EPA 8015M | |
| Carbon Ranges C12-C28 | 22.3 | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | 22.3 | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 107 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 113 % | 70-130 | | " | " | " | " | |
| SB-1 18-19 (7B14007-02) Soil | | | | | | | | | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EB71409 | 02/14/07 | 02/17/07 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 96.8 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 102 % | 70-130 | | " | " | " | " | |
| SB-1 21-22 (7B14007-03) Soil | | | | | | | | | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EB71409 | 02/14/07 | 02/17/07 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 103 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 107 % | 70-130 | | " | " | " | " | |
| SB-2 14-15 (7B14007-04) Soil | | | | | | | | | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EB71409 | 02/14/07 | 02/17/07 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 110 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 114 % | 70-130 | | " | " | " | " | |

Environmental Lab of Texas
 A Xenco Laboratories Company

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

Talon LPE
 9 East Industrial Loop
 Midland TX, 79701

Project: Foster AN 2 & 3
 Project Number: YATESP023SPL
 Project Manager: Kyle Waggoner

Fax: (432) 522-2180

Organics by GC
Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|-------------------------------------|--------|-----------------|-----------|----------|---------|----------|----------|-----------|-------|
| SB-2 18-19 (7B14007-05) Soil | | | | | | | | | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EB71409 | 02/14/07 | 02/17/07 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 103 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 106 % | 70-130 | | " | " | " | " | |
| SB-2 22-23 (7B14007-06) Soil | | | | | | | | | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EB71409 | 02/14/07 | 02/17/07 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 100 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 108 % | 70-130 | | " | " | " | " | |

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Talon LPE
9 East Industrial Loop
Midland TX, 79701

Project: Foster AN 2 & 3
Project Number: YATESP023SPL
Project Manager: Kyle Waggoner

Fax: (432) 522-2180

**General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas**

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|-------------------------------------|--------|-----------------|-------|----------|---------|----------|----------|---------------|-------|
| SB-1 14-15 (7B14007-01) Soil | | | | | | | | | |
| % Moisture | 5.6 | 0.1 | % | 1 | EB71501 | 02/14/07 | 02/15/07 | % calculation | |
| SB-1 18-19 (7B14007-02) Soil | | | | | | | | | |
| % Moisture | 6.7 | 0.1 | % | 1 | EB71501 | 02/14/07 | 02/15/07 | % calculation | |
| SB-1 21-22 (7B14007-03) Soil | | | | | | | | | |
| % Moisture | 10.7 | 0.1 | % | 1 | EB71501 | 02/14/07 | 02/15/07 | % calculation | |
| SB-2 14-15 (7B14007-04) Soil | | | | | | | | | |
| % Moisture | 13.6 | 0.1 | % | 1 | EB71501 | 02/14/07 | 02/15/07 | % calculation | |
| SB-2 18-19 (7B14007-05) Soil | | | | | | | | | |
| % Moisture | 13.4 | 0.1 | % | 1 | EB71501 | 02/14/07 | 02/15/07 | % calculation | |
| SB-2 22-23 (7B14007-06) Soil | | | | | | | | | |
| % Moisture | 15.9 | 0.1 | % | 1 | EB71501 | 02/14/07 | 02/15/07 | % calculation | |

Environmental Lab of Texas

A Xenco Laboratories Company

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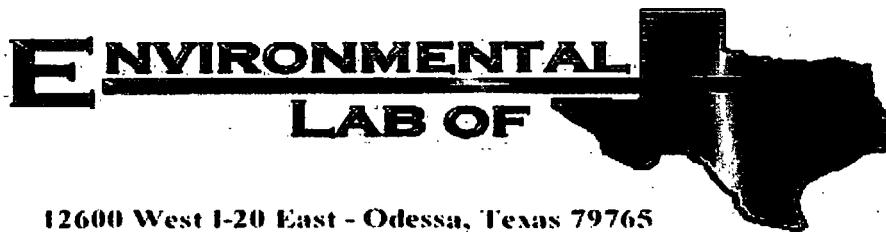
Page 4 of 12

Volatile Organic Compounds by EPA Method 8260B
Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|---|--------------|-----------------|-----------|----------|---------|----------|----------|-----------|-------|
| SB-1 14-15 (7B14007-01) Soil | | | | | | | | | |
| Benzene | ND | 0.0250 | mg/kg dry | 25 | EB71508 | 02/15/07 | 02/20/07 | EPA 8260B | |
| Toluene | ND | 0.0250 | " | " | " | " | " | " | |
| Ethylbenzene | ND | 0.0250 | " | " | " | " | " | " | |
| Xylene (p/m) | ND | 0.0250 | " | " | " | " | " | " | |
| Xylene (o) | ND | 0.0250 | " | " | " | " | " | " | |
| <i>Surrogate: Dibromofluoromethane</i> | | 104 % | 70-139 | " | " | " | " | " | |
| <i>Surrogate: 1,2-Dichloroethane-d4</i> | | 78.2 % | 52-149 | " | " | " | " | " | |
| <i>Surrogate: Toluene-d8</i> | | 93.0 % | 76-125 | " | " | " | " | " | |
| <i>Surrogate: 4-Bromofluorobenzene</i> | | 96.0 % | 66-145 | " | " | " | " | " | |
| SB-1 18-19 (7B14007-02) Soil | | | | | | | | | |
| Benzene | ND | 0.00200 | mg/kg dry | 2 | EB71508 | 02/15/07 | 02/16/07 | EPA 8260B | |
| Toluene | ND | 0.00200 | " | " | " | " | " | " | |
| Ethylbenzene | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (p/m) | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (o) | ND | 0.00200 | " | " | " | " | " | " | |
| <i>Surrogate: Dibromofluoromethane</i> | | 106 % | 70-139 | " | " | " | " | " | |
| <i>Surrogate: 1,2-Dichloroethane-d4</i> | | 94.4 % | 52-149 | " | " | " | " | " | |
| <i>Surrogate: Toluene-d8</i> | | 90.6 % | 76-125 | " | " | " | " | " | |
| <i>Surrogate: 4-Bromofluorobenzene</i> | | 102 % | 66-145 | " | " | " | " | " | |
| SB-1 21-22 (7B14007-03) Soil | | | | | | | | | |
| Benzene | ND | 0.00200 | mg/kg dry | 2 | EB71508 | 02/15/07 | 02/16/07 | EPA 8260B | |
| Toluene | ND | 0.00200 | " | " | " | " | " | " | |
| Ethylbenzene | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (p/m) | J [0.00185] | 0.00200 | " | " | " | " | " | " | J |
| Xylene (o) | I [0.000918] | 0.00200 | " | " | " | " | " | " | J |
| <i>Surrogate: Dibromofluoromethane</i> | | 114 % | 70-139 | " | " | " | " | " | |
| <i>Surrogate: 1,2-Dichloroethane-d4</i> | | 106 % | 52-149 | " | " | " | " | " | |
| <i>Surrogate: Toluene-d8</i> | | 84.8 % | 76-125 | " | " | " | " | " | |
| <i>Surrogate: 4-Bromofluorobenzene</i> | | 109 % | 66-145 | " | " | " | " | " | |

Volatile Organic Compounds by EPA Method 8260B
Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|---|--------|-----------------|---------------|----------|---------|----------|----------|-----------|-------|
| SB-2 14-15 (7B14007-04) Soil | | | | | | | | | |
| Benzene | ND | 0.00200 | mg/kg dry | 2 | EB71508 | 02/15/07 | 02/16/07 | EPA 8260B | |
| Toluene | ND | 0.00200 | " | " | " | " | " | " | |
| Ethylbenzene | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (p/m) | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (o) | ND | 0.00200 | " | " | " | " | " | " | |
| <i>Surrogate: Dibromofluoromethane</i> | | <i>115 %</i> | <i>70-139</i> | | " | " | " | " | |
| <i>Surrogate: 1,2-Dichloroethane-d4</i> | | <i>128 %</i> | <i>52-149</i> | | " | " | " | " | |
| <i>Surrogate: Toluene-d8</i> | | <i>74.2 %</i> | <i>76-125</i> | | " | " | " | " | S-04 |
| <i>Surrogate: 4-Bromofluorobenzene</i> | | <i>104 %</i> | <i>66-145</i> | | " | " | " | " | |
| SB-2 18-19 (7B14007-05) Soil | | | | | | | | | |
| Benzene | ND | 0.00200 | mg/kg dry | 2 | EB71508 | 02/15/07 | 02/16/07 | EPA 8260B | |
| Toluene | ND | 0.00200 | " | " | " | " | " | " | |
| Ethylbenzene | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (p/m) | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (o) | ND | 0.00200 | " | " | " | " | " | " | |
| <i>Surrogate: Dibromofluoromethane</i> | | <i>111 %</i> | <i>70-139</i> | | " | " | " | " | |
| <i>Surrogate: 1,2-Dichloroethane-d4</i> | | <i>94.0 %</i> | <i>52-149</i> | | " | " | " | " | |
| <i>Surrogate: Toluene-d8</i> | | <i>90.4 %</i> | <i>76-125</i> | | " | " | " | " | |
| <i>Surrogate: 4-Bromofluorobenzene</i> | | <i>100 %</i> | <i>66-145</i> | | " | " | " | " | |
| SB-2 22-23 (7B14007-06) Soil | | | | | | | | | |
| Benzene | ND | 0.00200 | mg/kg dry | 2 | EB71508 | 02/15/07 | 02/16/07 | EPA 8260B | |
| Toluene | ND | 0.00200 | " | " | " | " | " | " | |
| Ethylbenzene | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (p/m) | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (o) | ND | 0.00200 | " | " | " | " | " | " | |
| <i>Surrogate: Dibromofluoromethane</i> | | <i>114 %</i> | <i>70-139</i> | | " | " | " | " | |
| <i>Surrogate: 1,2-Dichloroethane-d4</i> | | <i>105 %</i> | <i>52-149</i> | | " | " | " | " | |
| <i>Surrogate: Toluene-d8</i> | | <i>93.2 %</i> | <i>76-125</i> | | " | " | " | " | |
| <i>Surrogate: 4-Bromofluorobenzene</i> | | <i>105 %</i> | <i>66-145</i> | | " | " | " | " | |



12600 West I-20 East - Odessa, Texas 79765

A Xenco Laboratories Company

Analytical Report

Prepared for:

Robert Asher

Yates Petroleum Corp.

105 S. Fourth St.

Artesia, NM 88210

Project: Foster AN Battery

Project Number: 30-15-26914

Location: Eddy County

Lab Order Number: 7B16012

Report Date: 02/21/07

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Foster AN Battery
Project Number: 30-15-26914
Project Manager: Robert Asher

Fax: (505) 748-4662

ANALYTICAL REPORT FOR SAMPLES

| Sample ID | Laboratory ID | Matrix | Date Sampled | Date Received |
|------------|---------------|--------|----------------|------------------|
| GS/6.0-001 | 7B16012-01 | Soil | 02/14/07 13:45 | 02-16-2007 10:30 |
| GS/6.0-002 | 7B16012-02 | Soil | 02/14/07 14:00 | 02-16-2007 10:30 |

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Foster AN Battery
Project Number: 30-15-26914
Project Manager: Robert Asher

Fax: (505) 748-4662

Organics by GC
Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|-------------------------------------|--------|--------------------|-----------|----------|---------|----------|----------|-----------|-------|
| GS/6.0-001 (7B16012-01) Soil | | | | | | | | | |
| Carbon Ranges C6-C10 | ND | 10.0 | mg/kg dry | 1 | EB71705 | 02/17/07 | 02/19/07 | EPA 8015B | |
| Carbon Ranges >C10-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Total Carbon Range C6-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 92.4 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 95.4 % | 70-130 | | " | " | " | " | |
| GS/6.0-002 (7B16012-02) Soil | | | | | | | | | |
| Carbon Ranges C6-C10 | ND | 10.0 | mg/kg dry | 1 | EB71705 | 02/17/07 | 02/19/07 | EPA 8015B | |
| Carbon Ranges >C10-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Total Carbon Range C6-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 90.6 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 93.6 % | 70-130 | | " | " | " | " | |

Environmental Lab of Texas

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The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

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General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|-------------------------------------|--------|--------------------|-------|----------|---------|----------|----------|---------------|-------|
| GS/6.0-001 (7B16012-01) Soil | | | | | | | | | |
| % Moisture | 12.9 | 0.1 | % | 1 | EB71702 | 02/16/07 | 02/17/07 | % calculation | |
| GS/6.0-002 (7B16012-02) Soil | | | | | | | | | |
| % Moisture | 7.4 | 0.1 | % | 1 | EB71702 | 02/16/07 | 02/17/07 | % calculation | |

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Foster AN Battery
Project Number: 30-15-26914
Project Manager: Robert Asher

Fax: (505) 748-4662

**Volatile Organic Compounds by EPA Method 8260B
Environmental Lab of Texas**

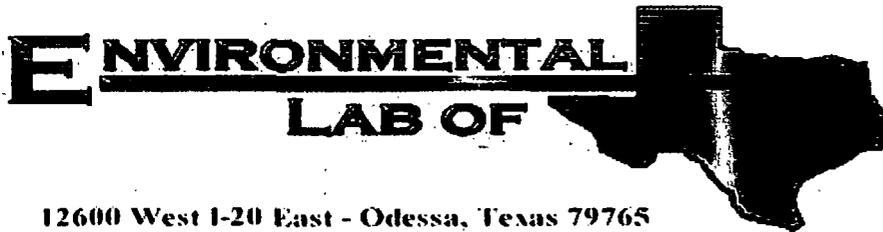
| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|-------------------------------------|--------|-----------------|-----------|----------|---------|----------|----------|-----------|-------|
| GS/6.0-001 (7B16012-01) Soil | | | | | | | | | |
| Benzene | ND | 0.00200 | mg/kg dry | 2 | EB71912 | 02/19/07 | 02/19/07 | EPA 8260B | |
| Toluene | ND | 0.00200 | " | " | " | " | " | " | |
| Ethylbenzene | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (p/m) | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (o) | ND | 0.00200 | " | " | " | " | " | " | |
| Surrogate: Dibromofluoromethane | | 109 % | 70-139 | | " | " | " | " | |
| Surrogate: 1,2-Dichloroethane-d4 | | 98.0 % | 52-149 | | " | " | " | " | |
| Surrogate: Toluene-d8 | | 82.6 % | 76-125 | | " | " | " | " | |
| Surrogate: 4-Bromofluorobenzene | | 106 % | 66-145 | | " | " | " | " | |
| GS/6.0-002 (7B16012-02) Soil | | | | | | | | | |
| Benzene | ND | 0.00200 | mg/kg dry | 2 | EB71912 | 02/19/07 | 02/19/07 | EPA 8260B | |
| Toluene | ND | 0.00200 | " | " | " | " | " | " | |
| Ethylbenzene | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (p/m) | ND | 0.00200 | " | " | " | " | " | " | |
| Xylene (o) | ND | 0.00200 | " | " | " | " | " | " | |
| Surrogate: Dibromofluoromethane | | 111 % | 70-139 | | " | " | " | " | |
| Surrogate: 1,2-Dichloroethane-d4 | | 103 % | 52-149 | | " | " | " | " | |
| Surrogate: Toluene-d8 | | 87.2 % | 76-125 | | " | " | " | " | |
| Surrogate: 4-Bromofluorobenzene | | 107 % | 66-145 | | " | " | " | " | |

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12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Robert Asher

Yates Petroleum Corp.

105 S. Fourth St.

Artesia, NM 88210

Project: Foster AN Battery

Project Number: 30-015-126914

Location: Eddy County

Lab Order Number: 7A10012

Report Date: 01/15/07

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Foster AN Battery
Project Number: 30-015-126914
Project Manager: Robert Asher

Fax: (505) 748-4662

ANALYTICAL REPORT FOR SAMPLES

| Sample ID | Laboratory ID | Matrix | Date Sampled | Date Received |
|---------------|---------------|--------|----------------|------------------|
| GS/ 10.0- 001 | 7A10012-01 | Soil | 01/09/07 10:40 | 01-10-2007 09:40 |
| GS/ 10.0- 002 | 7A10012-02 | Soil | 01/09/07 10:55 | 01-10-2007 09:40 |
| GS/ 10.0- 003 | 7A10012-03 | Soil | 01/09/07 11:10 | 01-10-2007 09:40 |
| GS/ 10.0- 004 | 7A10012-04 | Soil | 01/09/07 11:23 | 01-10-2007 09:40 |
| GS/ 10.0- 005 | 7A10012-05 | Soil | 01/09/07 11:40 | 01-10-2007 09:40 |

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Foster AN Battery
Project Number: 30-015-126914
Project Manager: Robert Asher

Fax: (505) 748-4662

Organics by GC
Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|--|--------|-----------------|-----------|----------|---------|----------|----------|-----------|-------|
| GS/ 10.0- 001 (7A10012-01) Soil | | | | | | | | | |
| Benzene | 5.75 | 0.200 | mg/kg dry | 200 | EA71014 | 01/10/07 | 01/10/07 | EPA 8021B | |
| Toluene | 10.3 | 0.200 | " | " | " | " | " | " | |
| Ethylbenzene | 1.99 | 0.200 | " | " | " | " | " | " | |
| Xylene (p/m) | 66.4 | 0.200 | " | " | " | " | " | " | |
| Xylene (o) | 12.8 | 0.200 | " | " | " | " | " | " | |
| Surrogate: a,a,a-Trifluorotoluene | | 992 % | 80-120 | " | " | " | " | " | S-04 |
| Surrogate: 4-Bromofluorobenzene | | 123 % | 80-120 | " | " | " | " | " | S-04 |
| Carbon Ranges C6-C10 | 2650 | 10.0 | mg/kg dry | 1 | EA71007 | 01/10/07 | 01/12/07 | EPA 8015B | |
| Carbon Ranges >C10-C28 | 4010 | 10.0 | " | " | " | " | " | " | |
| Total Carbon Range C6-C28 | 6660 | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 148 % | 70-130 | " | " | " | " | " | S-04 |
| Surrogate: 1-Chlorooctadecane | | 161 % | 70-130 | " | " | " | " | " | S-04 |
| GS/ 10.0- 002 (7A10012-02) Soil | | | | | | | | | |
| Benzene | 4.94 | 0.200 | mg/kg dry | 200 | EA71014 | 01/10/07 | 01/10/07 | EPA 8021B | |
| Toluene | 9.98 | 0.200 | " | " | " | " | " | " | |
| Ethylbenzene | 2.48 | 0.200 | " | " | " | " | " | " | |
| Xylene (p/m) | 74.2 | 0.200 | " | " | " | " | " | " | |
| Xylene (o) | 18.9 | 0.200 | " | " | " | " | " | " | |
| Surrogate: a,a,a-Trifluorotoluene | | 892 % | 80-120 | " | " | " | " | " | S-04 |
| Surrogate: 4-Bromofluorobenzene | | 144 % | 80-120 | " | " | " | " | " | S-04 |
| Carbon Ranges C6-C10 | 3080 | 10.0 | mg/kg dry | 1 | EA71007 | 01/10/07 | 01/13/07 | EPA 8015B | |
| Carbon Ranges >C10-C28 | 4700 | 10.0 | " | " | " | " | " | " | |
| Total Carbon Range C6-C28 | 7780 | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 161 % | 70-130 | " | " | " | " | " | S-04 |
| Surrogate: 1-Chlorooctadecane | | 175 % | 70-130 | " | " | " | " | " | S-04 |
| GS/ 10.0- 003 (7A10012-03) Soil | | | | | | | | | |
| Benzene | 6.03 | 0.200 | mg/kg dry | 200 | EA71014 | 01/10/07 | 01/10/07 | EPA 8021B | |
| Toluene | 21.4 | 0.200 | " | " | " | " | " | " | |
| Ethylbenzene | 10.4 | 0.200 | " | " | " | " | " | " | |
| Xylene (p/m) | 72.3 | 0.200 | " | " | " | " | " | " | |
| Xylene (o) | 21.4 | 0.200 | " | " | " | " | " | " | |
| Surrogate: a,a,a-Trifluorotoluene | | 942 % | 80-120 | " | " | " | " | " | S-04 |
| Surrogate: 4-Bromofluorobenzene | | 148 % | 80-120 | " | " | " | " | " | S-04 |
| Carbon Ranges C6-C10 | 4270 | 10.0 | mg/kg dry | 1 | EA71007 | 01/10/07 | 01/13/07 | EPA 8015B | |
| Carbon Ranges >C10-C28 | 6990 | 10.0 | " | " | " | " | " | " | |
| Total Carbon Range C6-C28 | 11300 | 10.0 | " | " | " | " | " | " | |

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

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Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Foster AN Battery
Project Number: 30-015-126914
Project Manager: Robert Asher

Fax: (505) 748-4662

Organics by GC
Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|--|--------|-----------------|-----------|----------|---------|----------|----------|-----------|-------|
| GS/ 10.0- 003 (7A10012-03) Soil | | | | | | | | | |
| Surrogate: 1-Chlorooctane | | 187 % | 70-130 | | EA71007 | 01/10/07 | 01/13/07 | EPA 8015B | S-04 |
| Surrogate: 1-Chlorooctadecane | | 210 % | 70-130 | | " | " | " | " | S-04 |
| GS/ 10.0- 004 (7A10012-04) Soil | | | | | | | | | |
| Benzene | 5.03 | 0.200 | mg/kg dry | 200 | EA71014 | 01/10/07 | 01/11/07 | EPA 8021B | |
| Toluene | 16.0 | 0.200 | " | " | " | " | " | " | |
| Ethylbenzene | 11.9 | 0.200 | " | " | " | " | " | " | |
| Xylene (p/m) | 71.6 | 0.200 | " | " | " | " | " | " | |
| Xylene (o) | 21.1 | 0.200 | " | " | " | " | " | " | |
| Surrogate: a,a,a-Trifluorotoluene | | 835 % | 80-120 | | " | " | " | " | S-04 |
| Surrogate: 4-Bromofluorobenzene | | 154 % | 80-120 | | " | " | " | " | S-04 |
| Carbon Ranges C6-C10 | 3890 | 10.0 | mg/kg dry | 1 | EA71007 | 01/10/07 | 01/13/07 | EPA 8015B | |
| Carbon Ranges >C10-C28 | 5610 | 10.0 | " | " | " | " | " | " | |
| Total Carbon Range C6-C28 | 9500 | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 192 % | 70-130 | | " | " | " | " | S-04 |
| Surrogate: 1-Chlorooctadecane | | 200 % | 70-130 | | " | " | " | " | S-04 |
| GS/ 10.0- 005 (7A10012-05) Soil | | | | | | | | | |
| Benzene | 1.74 | 0.200 | mg/kg dry | 200 | EA71014 | 01/10/07 | 01/11/07 | EPA 8021B | |
| Toluene | 8.23 | 0.200 | " | " | " | " | " | " | |
| Ethylbenzene | 3.21 | 0.200 | " | " | " | " | " | " | |
| Xylene (p/m) | 66.6 | 0.200 | " | " | " | " | " | " | |
| Xylene (o) | 21.0 | 0.200 | " | " | " | " | " | " | |
| Surrogate: a,a,a-Trifluorotoluene | | 187 % | 80-120 | | " | " | " | " | S-04 |
| Surrogate: 4-Bromofluorobenzene | | 145 % | 80-120 | | " | " | " | " | S-04 |
| Carbon Ranges C6-C10 | 2000 | 10.0 | mg/kg dry | 1 | EA71007 | 01/10/07 | 01/13/07 | EPA 8015B | |
| Carbon Ranges >C10-C28 | 3350 | 10.0 | " | " | " | " | " | " | |
| Total Carbon Range C6-C28 | 5350 | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 157 % | 70-130 | | " | " | " | " | S-04 |
| Surrogate: 1-Chlorooctadecane | | 170 % | 70-130 | | " | " | " | " | S-04 |

Yates Petroleum Corp.
 105 S. Fourth St.
 Artesia NM, 88210

Project: Foster AN Battery
 Project Number: 30-015-126914
 Project Manager: Robert Asher

Fax: (505) 748-4662

**General Chemistry Parameters by EPA / Standard Methods
 Environmental Lab of Texas**

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|--|----------|-----------------|-------|----------|---------|----------|----------|---------------|-------|
| GS/ 10.0- 001 (7A10012-01) Soil | | | | | | | | | |
| Chloride | 58.2 | 10.0 | mg/kg | 20 | EA71209 | 01/12/07 | 01/12/07 | EPA 300.0 | |
| % Moisture | 11.1 | 0.1 | % | 1 | EA71109 | 01/10/07 | 01/11/07 | % calculation | |
| GS/ 10.0- 002 (7A10012-02) Soil | | | | | | | | | |
| Chloride | 62.9 | 5.00 | mg/kg | 10 | EA71209 | 01/12/07 | 01/12/07 | EPA 300.0 | |
| % Moisture | 11.6 | 0.1 | % | 1 | EA71109 | 01/10/07 | 01/11/07 | % calculation | |
| GS/ 10.0- 003 (7A10012-03) Soil | | | | | | | | | |
| Chloride | 76.5 | 10.0 | mg/kg | 20 | EA71209 | 01/12/07 | 01/12/07 | EPA 300.0 | |
| % Moisture | 9.8 | 0.1 | % | 1 | EA71109 | 01/10/07 | 01/11/07 | % calculation | |
| GS/ 10.0- 004 (7A10012-04) Soil | | | | | | | | | |
| Chloride | 46.6 | 5.00 | mg/kg | 10 | EA71209 | 01/12/07 | 01/12/07 | EPA 300.0 | |
| % Moisture | 10.9 | 0.1 | % | 1 | EA71109 | 01/10/07 | 01/11/07 | % calculation | |
| GS/ 10.0- 005 (7A10012-05) Soil | | | | | | | | | |
| Chloride | J [1.45] | 5.00 | mg/kg | 10 | EA71209 | 01/12/07 | 01/12/07 | EPA 300.0 | J |
| % Moisture | 13.5 | 0.1 | % | 1 | EA71109 | 01/10/07 | 01/11/07 | % calculation | |