YATES PETROLEUM CORPORATION

105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

Mr. Mike Bratcher
NMOCD – District 2
1301 West Grand
Artesia, NM 88210

January 22, 2007

RE: Hornbaker BA 1
Unit G, Sec. 25, T18S, R25E
Eddy County, New Mexico

Dear Mike,

Yates Petroleum Corporation would like to submit for your consideration the enclosed closure report for the above captioned well. The closure report is being submitted to comply with section VII termination of Remedial Action of the New Mexico Oil and gas Conservation Division (OCD) *Guidelines for Remediation of Leaks, Spills and Releases.*

Yates has complied with the closure criteria and based on the analytical report, respectfully requests that no further action is required and requests NMOCD to grant final closure.

Should you have any questions, please don't hesitate to contact me. Thank you.

Sincerely,

Sherry Bonham
Environmental Regulatory Agent

YATES PETROLEUM CORPORATION

CLOSURE REPORT

HORNBAKER BA 1

25 T18S R25E
EDDY COUNTY, NEW MEXICO

January 22, 2007

Hornbaker BA 1
Yates Petroleum Corporation
January 22, 2007

INTRODUCTION

This closure report for the Hornbaker BA 1 has been developed to comply with Section VII Termination of Remedial Action of the New Mexico Oil and Gas Conservation Division (OCD).

BACKGROUND

Yates Petroleum Corporation (Yates) is the operator of the Hornbaker BA 1 (API 30-015-20015) site. The initial release was the result of a hole in a tank. Yates submitted Initial Report Form C-141 on September 19, 2006. A copy of the Initial Report C-141 is included as Attachment A.

RECOMMENDED REMEDIAL ACTION LEVELS

Based on Section IV of the Guidelines, the Ranking Criteria for this site is as follows:

• Depth to ground water >100'	0
• Not in well head protection area	0
• Distance to surface water body >1000'	0
TOTAL RANKING SCORE	0

For sites with a Total Ranking Score of 0, the Recommended ~~Remedial~~ Action Levels (RRALs) are:

• Benzene (ppm)	10
• BTEX (ppm)	50
• TPH (ppm)	5000

Site Ranking
10

HISTORY

Affected soils were excavated as per work plan and hauled to an approved disposal facility. On November 6, 2006, Sherry Bonham of Yates Petroleum Corporation and Mike Bratcher of NMOCD-District 2 met at the Hornbaker BA 1 for the purpose of obtaining confirmation samples.

Samples were delivered to Environmental Lab of Texas who performed the chemical analyses. The samples were analyzed for Chlorides, TPH by EPA Method 8015B and BTEX by EPA Method 8021B. Results of sample analyses were below RRALs indicating that site could be backfilled. A copy of the laboratory report as well as the sample point diagram is included as Attachment B.

On November 13, 2006 Yates' request to backfill was approved by NMOCD-District 2. The e-mail confirmation to backfill is included as Attachment C.

CLOSURE REQUEST

All remediation processes have been completed. Site has been backfilled to grade. A copy of post-remediation photos is included as Attachment D.

Yates Petroleum Corporation respectfully requests this site be closed and no further actions taken. Included is a Final Report C-141 requesting closure.

Attachment A

District I
625 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	SHERRY BONHAM
Address		Telephone No.
105 S 4TH STREET		505.748.1471
Facility Name	API Number	Facility Type
HORNBAKER BA 1 BATTERY	30-015-20015	BATTERY

Surface Owner	Mineral Owner	Lease No.
FEE	FEE	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	25	18S	25E	1900	NORTH	1650	EAST	EDDY

Latitude 32.72094 **Longitude** 104.43452

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered
CRUDE OIL AND PRODUCED WATER	10 B/O; 5 B/PW	5 B/O; 1 B/PW
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
TANK	9/13/06 AM	9/13/06 AM
Was Immediate Notice Given? ☐ Yes ☐ No ☒ Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour N/A	
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 TANK. EMPTIED AND CLEANED TANK.

Describe Area Affected and Cleanup Action Taken.*
AN APPROXIMATE 20' X 30' AREA IMPACTED. ALL FLUIDS WERE CONTAINED WITHIN BERMED AREA. VACUUM TRUCK AND CREW CALLED IN. VACUUMED TANK AND STANDING FLUIDS.

Site Ranking: 0

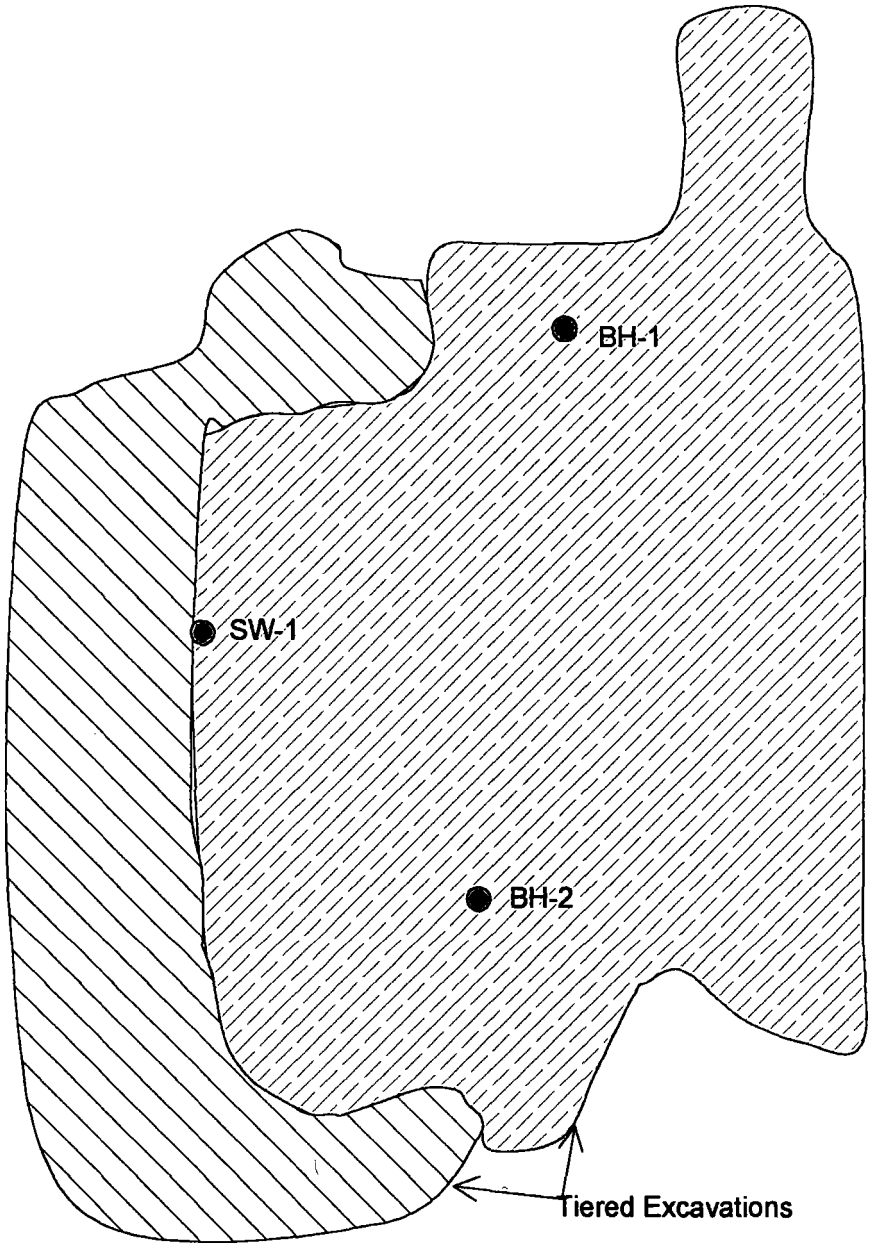
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger 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:	OIL CONSERVATION DIVISION
Printed Name: Sherry Bonham	Approved by District Supervisor:
Title: Environmental Regulatory Agent	Approval Date: / Expiration Date:
E-mail Address: sherryb@ypcnm.com	Conditions of Approval: / Attached ☐
Date: September 19, 2006 Phone: 505.748.1471	

* Attach Additional Sheets If Necessary

Attachment B

BH-1: 32.72103 104.43327
BH-2: 32.72097 104.43322
SW-1: 32.72102 104.43326



YATES PETROLEUM CORPORATION

Hornbaker BA 1
Sec. 25 T18S R26E
Eddy County, NM

SAMPLE POINTS DIAGRAM
NOVEMBER 6, 2006

(Not to Scale)

ENVIRONMENTAL LAB OF

12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Sherry Bonham

Yates Petroleum Corp.

105 S. Fourth St.

Artesia, NM 88210

Projcct: Hornbakcr BA 1

Project Number: 25-185-25E-G

Location: Eddy County

Lab Order Number: 6K09004

Report Date: 11/10/06

Yates Petroleum Corp.	Project: Hornbaker BA 1	Fax: (505) 748-4662
105 S. Fourth St.	Project Number: 25-185-25E-G	
Artesia NM, 88210	Project Manager: Sherry Bonham	

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
BH-1	6K09004-01	Soil	11/06/06 15:30	11-09-2006 09:20
BH-2	6K09004-02	Soil	11/06/06 15:45	11-09-2006 09:20
SW-1	6K09004-03	Soil	11/06/06 16:00	11-09-2006 09:20

12600 West I-20 East - Odessa, Texas 79705 - (432) 563-1800 - Fax (432) 563-1713

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105 S. Fourth St.	Project Number: 25-185-25E-G	
Artesia NM, 88210	Project Manager: Sherry Bonham	

Organics by GC

Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
BH-1 (6K09004-01) Soil									
Benzene	ND	0.0250	mg/kg dry	25	EK60914	11/09/06	11/09/06	EPA 8021B	
Toluene	**ND**	0.0250	"	"	"	"	"	"	
Ethylbenzene	**0.0335**	0.0250	"	"	"	"	"	"	
Xylene (p/m)	**0.0657**	0.0250	"	"	"	"	"	"	
Xylene (o)	**ND**	0.0250	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		*84.5 %*	*80-120*		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		*85.5 %*	*80-120*		"	"	"	"	
Carbon Ranges C6-C10	**J [9.12]**	10.0	mg/kg dry	1	EK60814	11/09/06	11/09/06	EPA 8015B	J
Carbon Ranges >C10-C28	**188**	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	**188**	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		*108 %*	*70-130*		"	"	"	"	
Surrogate: 1-Chlorooctadecane		*126 %*	*70-130*		"	"	"	"	
BH-2 (6K09004-02) Soil									
Benzene	**J [0.0176]**	0.0250	mg/kg dry	25	EK60914	11/09/06	11/09/06	EPA 8021B	J
Toluene	**0.0397**	0.0250	"	"	"	"	"	"	
Ethylbenzene	**0.0604**	0.0250	"	"	"	"	"	"	
Xylene (p/m)	**0.145**	0.0250	"	"	"	"	"	"	
Xylene (o)	**0.0530**	0.0250	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		*92.5 %*	*80-120*		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		*111 %*	*80-120*		"	"	"	"	
Carbon Ranges C6-C10	**13.2**	10.0	mg/kg dry	1	EK60814	11/09/06	11/09/06	EPA 8015B	
Carbon Ranges >C10-C28	**84.0**	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	**97.2**	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		*100 %*	*70-130*		"	"	"	"	
Surrogate: 1-Chlorooctadecane		*112 %*	*70-130*		"	"	"	"	
SW-1 (6K09004-03) Soil									
Benzene	ND	0.0250	mg/kg dry	25	EK60914	11/09/06	11/09/06	EPA 8021B	
Toluene	**ND**	0.0250	"	"	"	"	"	"	
Ethylbenzene	**J [0.0223]**	0.0250	"	"	"	"	"	"	J
Xylene (p/m)	**0.0805**	0.0250	"	"	"	"	"	"	
Xylene (o)	**0.0489**	0.0250	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		*81.2 %*	*80-120*		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		*103 %*	*80-120*		"	"	"	"	
Carbon Ranges C6-C10	**18.2**	10.0	mg/kg dry	1	EK60814	11/09/06	11/09/06	EPA 8015B	
Carbon Ranges >C10-C28	**253**	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	**271**	10.0	"	"	"	"	"	"	

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Yates Petroleum Corp.	Project: Hornbaker BA 1	Fax: (505) 748-4662
105 S. Fourth St.	Project Number: 25-185-25E-G	
Artesia NM, 88210	Project Manager: Sherry Bonham	

Organics by GC

Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
SW-1 (6K09004-03) Soil									
Surrogate: 1-Chlorooctane		*105 %*		*70-130*	*EK60814*	*11/09/06*	*11/09/06*	*EPA 8015B*	
Surrogate: 1-Chlorooctadecane		*115 %*		*70-130*	"	"	"	"	

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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
BH-1 (6K09004-01) Soil									
% Moisture	**10.7**	0.1	%	1	EK60915	11/09/06	11/09/06	% calculation	
BH-2 (6K09004-02) Soil									
% Moisture	**16.8**	0.1	%	1	EK60915	11/09/06	11/09/06	% calculation	
SW-1 (6K09004-03) Soil									
% Moisture	**12.4**	0.1	%	1	EK60915	11/09/06	11/09/06	% calculation	

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

Project: Hornbaker BA 1
Project Number: 25-185-25E-G
Project Manager: Sherry Bonham

Fax: (505) 748-4662

Organics by GC - Quality Control

Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EK60814 - Solvent Extraction (GC)										
Blank (EK60814-BLK1)				Prepared: 11/08/06 Analyzed: 11/09/06						
Carbon Ranges C6-C10	ND	10.0	mg/kg wet							
Carbon Ranges >C10-C28	ND	10.0	"							
Total Carbon Range C6-C28	ND	10.0	"							
Surrogate: 1-Chlorooctane	*55.3*		*mg/kg*	*50.0*		*111*	*70-130*			
Surrogate: 1-Chlorooctadecane	*64.8*		*"*	*50.0*		*130*	*70-130*			
LCS (EK60814-BS1)				Prepared: 11/08/06 Analyzed: 11/09/06						
Carbon Ranges C6-C10	576	10.0	mg/kg wet	500		115	75-125			
Carbon Ranges >C10-C28	487	10.0	"	500		97.4	75-125			
Total Carbon Range C6-C28	1060	10.0	"	1000		106	75-125			
Surrogate: 1-Chlorooctane	*63.5*		*mg/kg*	*50.0*		*127*	*70-130*			
Surrogate: 1-Chlorooctadecane	*62.8*		*"*	*50.0*		*126*	*70-130*			
Calibration Check (EK60814-CCV1)				Prepared: 11/08/06 Analyzed: 11/09/06						
Carbon Ranges C6-C10	228		mg/kg	250		91.2	80-120			
Carbon Ranges >C10-C28	249		"	250		99.6	80-120			
Total Carbon Range C6-C28	477		"	500		95.4	80-120			
Surrogate: 1-Chlorooctane	*49.7*		*"*	*50.0*		*99.4*	*70-130*			
Surrogate: 1-Chlorooctadecane	*51.5*		*"*	*50.0*		*103*	*70-130*			
Matrix Spike (EK60814-MS1)	**Source: 6K08003-02**			Prepared: 11/08/06 Analyzed: 11/09/06						
Carbon Ranges C6-C10	661	10.0	mg/kg dry	586	ND	113	75-125			
Carbon Ranges >C10-C28	548	10.0	"	586	ND	93 5	75-125			
Total Carbon Range C6-C28	1210	10.0	"	1170	ND	103	75-125			
Surrogate: 1-Chlorooctane	*62.5*		*mg/kg*	*50.0*		*125*	*70-130*			
Surrogate: 1-Chlorooctadecane	*64.4*		*"*	*50.0*		*129*	*70-130*			
Matrix Spike Dup (EK60814-MSD1)	**Source: 6K08003-02**			Prepared: 11/08/06 Analyzed: 11/09/06						
Carbon Ranges C6-C10	656	10.0	mg/kg dry	586	ND	112	75-125	0.759	20	
Carbon Ranges >C10-C28	541	10.0	"	586	ND	92.3	75-125	1.29	20	
Total Carbon Range C6-C28	1200	10.0	"	1170	ND	103	75-125	0.830	20	
Surrogate: 1-Chlorooctane	*61.6*		*mg/kg*	*50.0*		*123*	*70-130*			
Surrogate: 1-Chlorooctadecane	*56.7*		*"*	*50.0*		*113*	*70-130*			

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

Project: Hornbaker BA 1
Project Number: 25-185-25E-G
Project Manager: Sherry Bonham

Fax: (505) 748-4662

Organics by GC - Quality Control

Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EK60914 - EPA 5030C (GC)										
Blank (EK60914-BLK1)				Prepared & Analyzed: 11/09/06						
Benzene	ND	0.0250	mg/kg wet							
Toluene	ND	0.0250	"							
Ethylbenzene	ND	0.0250	"							
Xylene (p/m)	ND	0.0250	"							
Xylene (o)	ND	0.0250	"							
Surrogate: a,a,a-Trifluorotoluene	*33.0*		*ug/kg*	*40.0*		*82.5*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*37.1*		*"*	*40.0*		*92.8*	*80-120*			
LCS (EK60914-BS1)				Prepared & Analyzed: 11/09/06						
Benzene	1.28	0.0250	mg/kg wet	1.25		102	80-120			
Toluene	1.16	0.0250	"	1.25		92.8	80-120			
Ethylbenzene	1.18	0.0250	"	1.25		94.4	80-120			
Xylene (p/m)	2.40	0.0250	"	2.50		96.0	80-120			
Xylene (o)	1.19	0.0250	"	1.25		95.2	80-120			
Surrogate: a,a,a-Trifluorotoluene	*37.4*		*ug/kg*	*40.0*		*93.5*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*38.4*		*"*	*40.0*		*96.0*	*80-120*			
Calibration Check (EK60914-CCV1)				Prepared & Analyzed: 11/09/06						
Benzene	48.5		ug/kg	50.0		97.0	80-120			
Toluene	42.4		"	50.0		84.8	80-120			
Ethylbenzene	43.5		"	50.0		87.0	80-120			
Xylene (p/m)	85.3		"	100		85.3	80-120			
Xylene (o)	43.0		"	50.0		86.0	80-120			
Surrogate: a,a,a-Trifluorotoluene	*36.4*		*"*	*40.0*		*91.0*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*36.4*		*"*	*40.0*		*91.0*	*80-120*			
Matrix Spike (EK60914-MS1)	**Source: 6K09004-01**			Prepared & Analyzed: 11/09/06						
Benzene	1.50	0.0250	mg/kg dry	1.40	ND	107	80-120			
Toluene	1.41	0.0250	"	1.40	ND	101	80-120			
Ethylbenzene	1.34	0.0250	"	1.40	0.0335	93.3	80-120			
Xylene (p/m)	2.91	0.0250	"	2.80	0.0657	102	80-120			
Xylene (o)	1.37	0.0250	"	1.40	ND	97.9	80-120			
Surrogate: a,a,a-Trifluorotoluene	*35.6*		*ug/kg*	*40.0*		*89.0*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*41.2*		*"*	*40.0*		*103*	*80-120*			

Organics by GC - Quality Control

Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EK60914 - EPA 5030C (GC)										
Matrix Spike Dup (EK60914-MSD1)	**Source: 6K09004-01**			**Prepared & Analyzed: 11/09/06**						
Benzene	1.30	0.0250	mg/kg dry	1.40	ND	92.9	80-120	14.1	20	
Toluene	1.27	0.0250	"	1.40	ND	90.7	80-120	10.7	20	
Ethylbenzene	1.25	0.0250	"	1.40	0.0335	86.9	80-120	7.10	20	
Xylene (p/m)	2.76	0.0250	"	2.80	0.0657	96.2	80-120	5.85	20	
Xylene (o)	1.36	0.0250	"	1.40	ND	97.1	80-120	0.821	20	
Surrogate: a,a,a-Trifluorotoluene	*32.6*		*ug/kg*	*40.0*		*81.5*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*35.9*		*"*	*40.0*		*89.8*	*80-120*			

Yates Petroleum Corp.	Project: Hornbaker BA 1	Fax: (505) 748-4662
105 S. Fourth St.	Project Number: 25-185-25E-G	
Artesia NM, 88210	Project Manager: Sherry Bonham	

General Chemistry Parameters by EPA / Standard Methods - Quality Control

Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EK60915 - General Preparation (Prep)										
Blank (EK60915-BLK1)				Prepared & Analyzed: 11/09/06						
% Solids	99.7		%							
Duplicate (EK60915-DUP1)		Source: GK09004-01		Prepared & Analyzed: 11/09/06						
% Solids	89.3		%		89.3			0.00	20	

12600 West I-20 East - Odessa, Texas 79705 - (432) 563-1800 - Fax (432) 563-1713

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105 S. Fourth St.	Project Number: 25-185-25E-G	
Artesia NM, 88210	Project Manager: Sherry Bonham	

Notes and Definitions

J	Detected but below the Reporting Limit; therefore, result is an estimated concentration (CLP J-Flag).
DET	Analyte DETECTED
ND	Analyte NOT DETECTED at or above the reporting limit
NR	Not Reported
dry	Sample results reported on a dry weight basis
RPD	Relative Percent Difference
LCS	Laboratory Control Spike
MS	Matrix Spike
Dup	Duplicate

Report Approved By: Raland K Tuttle Date: 11/10/2006

Raland K. Tuttle, Lab Manager
Celey D. Keene, Lab Director, Org. Tech Director
Peggy Allen, QA Officer
Jeanne Mc Murrey, Inorg. Tech Director
LaTasha Cornish, Chemist
Sandra Sanchez, Lab Tech.

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: Sherry Bonham

Company Name: Yates Petroleum Corporation

Company Address: 105 S 4th Street

City/State/Zip: Artesia, NM 88210

Telephone No: 505-748-4162 or 505-513-1529

Fax No: 505-748-4585 (Please include cover sheet)

Sampler Signature:

e-mail: sherryb@ypcnm.com

Project Name: HORNBAKER BA 1

Project #: 25-18S-25E-G

Project Loc: Eddy County

PO #: ## 1032420

Report Format: ☒ Standard ☐ TRRP ☐ NPDES

(lab use only)

ORDER #: 6K09004

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	BH-1			11-6-06	3:30PM		1	X								S	✓								✓			✓		✓	
-02	BH-2			11-6-06	3:45PM		1	✓								S	✓								✓			✓		✓	
-03	SW-1			11-6-06	4:00PM		1	✓								S	✓								✓			✓		✓	

Special Instructions:
Please place chloride results on separate report. Thanks!

Relinquished by:	Date	Time	Received by:	Date	Time
Sherry Bonham	11-7-06	3:30PM			
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by: FedEx 9029-7559-1708	Date	Time	Received by ELOT:	Date: 11-09-06	Time: 0920

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. ?	Y	N
by Courier? UPS DHL FedEx Lone Star		

Temperature Upon Receipt: 2.5 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Yates Petroleum

Date/ Time: 11-09-06 @ 0920

Lab ID # : 6K090004

Initials: JMM

Sample Receipt Checklist

					Client Initials
#1	Temperature of container/ cooler?	Yes	No	2.5 °C	
#2	Shipping container in good condition?	Yes	No		
#3	Custody Seals intact on shipping container/ cooler?	Yes	No	Not Present	
#4	Custody Seals intact on sample bottles/ container?	Yes	No	Not Present	
#5	Chain of Custody present?	Yes	No		
#6	Sample instructions complete of Chain of Custody?	Yes	No		
#7	Chain of Custody signed when relinquished/ received?	Yes	No		
#8	Chain of Custody agrees with sample label(s)?	Yes	No	ID written on Cont./ Lid	
#9	Container label(s) legible and intact?	Yes	No	Not Applicable	
#10	Sample matrix/ properties agree with Chain of Custody?	Yes	No		
#11	Containers supplied by ELOT?	Yes	No		
#12	Samples in proper container/ bottle?	Yes	No	See Below	
#13	Samples properly preserved?	Yes	No	See Below	
#14	Sample bottles intact?	Yes	No		
#15	Preservations documented on Chain of Custody?	Yes	No		
#16	Containers documented on Chain of Custody?	Yes	No		
#17	Sufficient sample amount for indicated test(s)?	Yes	No	See Below	
#18	All samples received within sufficient hold time?	Yes	No	See Below	
#19	VOC samples have zero headspace?	Yes	No	Not Applicable	

Variance Documentation

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

Regarding: _____

Corrective Action Taken:

Check all that Apply:

- ☐ See attached e-mail/ fax
- ☐ Client understands and would like to proceed with analysis
- ☐ Cooling process had begun shortly after sampling event

ENVIRONMENTAL LAB OF

12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Sherry Bonham

Yates Petroleum Corp.

105 S. Fourth St.

Artesia, NM 88210

Projcct: Hornbakcr BA 1

Project Number: 25-185-25E-G

Location: Eddy County

Lab Order Number: 6K09004

Report Date: 11/10/06

Yates Petroleum Corp.	Project: Hornbaker BA 1	Fax: (505) 748-4662
105 S. Fourth St.	Project Number: 25-185-25E-G	
Artesia NM, 88210	Project Manager: Sherry Bonham	

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
BH-1	6K09004-01	Soil	11/06/06 15:30	11-09-2006 09:20
BH-2	6K09004-02	Soil	11/06/06 15:45	11-09-2006 09:20
SW-1	6K09004-03	Soil	11/06/06 16:00	11-09-2006 09:20

12600 West I-20 East - Odessa, Texas 79705 - (432) 563-1800 - Fax (432) 563-1713

Yates Petroleum Corp.	Project: Hornbaker BA 1	Fax: (505) 748-4662
105 S. Fourth St.	Project Number: 25-185-25E-G	
Artesia NM, 88210	Project Manager: Sherry Bonham	

General Chemistry Parameters by EPA / Standard Methods

Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
BH-1 (6K09004-01) Soil									
Chloride	**548**	20.0	mg/kg	40	EK60909	11/09/06	11/09/06	EPA 300.0	
BH-2 (6K09004-02) Soil									
Chloride	**709**	20.0	mg/kg	40	EK60909	11/09/06	11/09/06	EPA 300.0	
SW-1 (6K09004-03) Soil									
Chloride	**664**	25.0	mg/kg	50	EK60909	11/09/06	11/09/06	EPA 300.0	

12600 West I-20 East - Odessa, Texas 79705 - (432) 563-1800 - Fax (432) 563-1713

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

Project: Hornbaker BA 1
Project Number: 25-185-25E-G
Project Manager: Sherry Bonham

Fax: (505) 748-4662

General Chemistry Parameters by EPA / Standard Methods - Quality Control

Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EK60909 - Water Extraction										
Blank (EK60909-BLK1)				Prepared & Analyzed: 11/09/06						
Chloride	ND	0.500	mg/kg							
LCS (EK60909-BS1)				Prepared & Analyzed: 11/09/06						
Chloride	11.0	0.500	mg/kg	10.0		110	80-120			
Calibration Check (EK60909-CCV1)				Prepared & Analyzed: 11/09/06						
Chloride	11.2		mg/L	10.0		112	80-120			
Duplicate (EK60909-DUP1)		Source: 6K08002-02		Prepared & Analyzed: 11/09/06						
Chloride	149	5.00	mg/kg		157			5.23	20	
Duplicate (EK60909-DUP2)		Source: 6K08002-12		Prepared & Analyzed: 11/09/06						
Chloride	1.08	5.00	mg/kg		1.05			2.82	20	J
Matrix Spike (EK60909-MS1)		Source: 6K08002-02		Prepared & Analyzed: 11/09/06						
Chloride	264	5.00	mg/kg	100	157	107	80-120			
Matrix Spike (EK60909-MS2)		Source: 6K08002-12		Prepared & Analyzed: 11/09/06						
Chloride	106	5.00	mg/kg	100	1.05	105	80-120			

12600 West I-20 East - Odessa, Texas 79705 - (432) 563-1800 - Fax (432) 563-1713

Yates Petroleum Corp.	Project: Hornbaker BA 1	Fax: (505) 748-4662
105 S. Fourth St.	Project Number: 25-185-25E-G	
Artesia NM, 88210	Project Manager: Sherry Bonham	

Notes and Definitions

J	Detected but below the Reporting Limit; therefore, result is an estimated concentration (CLP J-Flag).
DET	Analyte DETECTED
ND	Analyte NOT DETECTED at or above the reporting limit
NR	Not Reported
dry	Sample results reported on a dry weight basis
RPD	Relative Percent Difference
LCS	Laboratory Control Spike
MS	Matrix Spike
Dup	Duplicate

Report Approved By: Raland K Tuttle Date: 11/10/2006

Raland K. Tuttle, Lab Manager
Celey D. Keene, Lab Director, Org. Tech Director
Peggy Allen, QA Officer
Jeanne Mc Murrey, Inorg. Tech Director
LaTasha Cornish, Chemist
Sandra Sanchez, Lab Tech.

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: Sherry Bonham
Company Name: Yates Petroleum Corporation
Company Address: 105 S 4th Street
City/State/Zip: Artesia, NM 88210
Telephone No: 505-748-4182 or 505-513-1529
Fax No: 505-748-4565 (Please include cover sheet)
Sample Signature:
e-mail: sherryb@ypcnm.com

Project Name: HORNBAKER BA 1
Project #: 25-18S-25E-G
Project Loc: Eddy County
PO #: ## 1032420
Report Format: [X] Standard [ ] TRRP [ ] NPDES

(lab use only)
ORDER #: 6K09004

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: TOTAL: 8015B	TPH: 418.1 8015M TX 1005	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 8260 or BTEX 8260	RCI	N.O.R.M.	Chlorides		RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
-01	BH-1			11-6-06	3:30 PM		1	X								S	✓								✓			✓		✓	
-02	BH-2			11-6-06	3:45 PM		1	✓								S	✓								✓			✓		✓	
-03	SW-1			11-6-06	4:00 PM		1	✓								S	✓								✓			✓		✓	

Special Instructions:
Please place chloride results on separate report. Thanks!

Relinquished by:	Date	Time	Received by:	Date	Time
Sherry Bonham	11-7-06	3:30 PM			
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by:	Date	Time	Received by ELOT:	Date	Time
FedEx 9029-7559-1708				11-09-06	0920

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. ? Y N
by Courier? UPS DHL (FedEx) Lone Star
Temperature Upon Receipt: 2.5 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Yates Petroleum

Date/ Time: 11-09-06 @ 0920

Lab ID # : 6K09004

Initials: JMM

Sample Receipt Checklist

					Client Initials
#1	Temperature of container/ cooler?	Yes	No	2.5 °C	
#2	Shipping container in good condition?	Yes	No		
#3	Custody Seals intact on shipping container/ cooler?	Yes	No	Not Present	
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#18	All samples received within sufficient hold time?	Yes	No	See Below	
#19	VOC samples have zero headspace?	Yes	No	Not Applicable	

Variance Documentation

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

Regarding: _____

Corrective Action Taken:

Check all that Apply:

- ☐ See attached e-mail/ fax
- ☐ Client understands and would like to proceed with analysis
- ☐ Cooling process had begun shortly after sampling event

Attachment C

Sherry Bonham

From: Bratcher, Mike, EMNRD [mike.bratcher@state.nm.us]
Sent: Monday, November 13, 2006 4:11 PM
To: Sherry Bonham
Cc: Jerry Fanning
Subject: RE: Hornbaker BA 1

Sherry,

Analytical data presented indicates the Hornbaker BA 001 Battery has been remediated to NMOCD Guidelines and is approved for closure.

Please be advised that NMOCD approval 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, NMOCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

I appreciate Yates Petroleum Corporation's ongoing cooperation with the NMOCD to maintain the environmental integrity of New Mexico.

Sincerely,

Mike Bratcher
NMOCD District 2

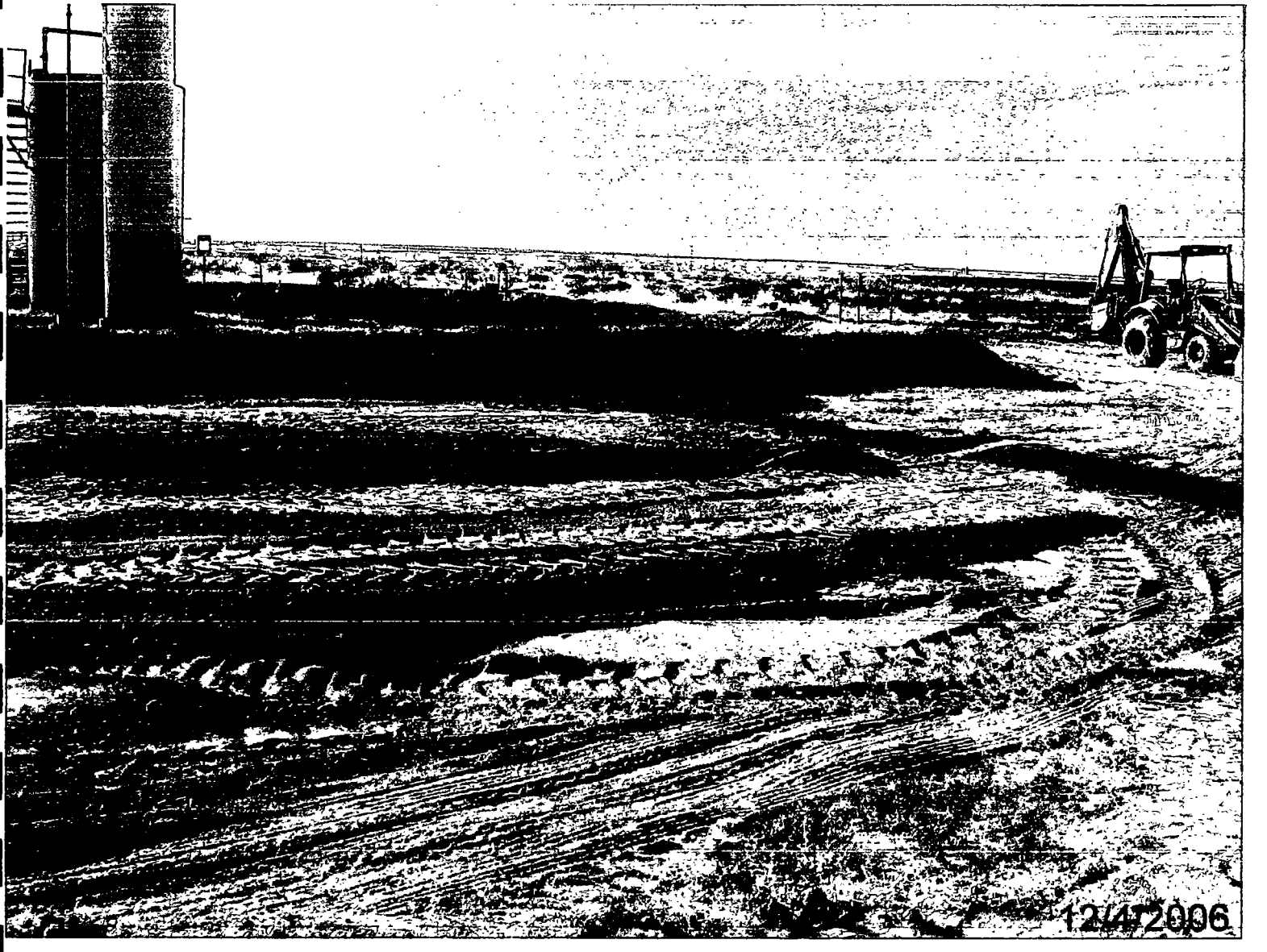
From: Sherry Bonham [mailto:sherryb@YPCNM.COM]
Sent: Monday, November 13, 2006 3:43 PM
To: Bratcher, Mike, EMNRD
Cc: Jerry Fanning
Subject: Hornbaker BA 1

Mike,
Thank you for taking the time this afternoon to review the analytical report on the Hornbaker BA 1. This e-mail is to confirm our conversation that analytical results support backfilling and Yates may proceed with backfilling processes.

If you have any questions, please don't hesitate to contact me and should I not hear from you, I will assume that you are in agreement.

Sherry

Attachment D


12/4/2006