

MARTIN YATES, III
1918-1985

FRANK W. YATES
1936-1986



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

S. P. YATES
CHAIRMAN EMERITUS
JOHN A. YATES
CHAIRMAN OF THE BOARD
PEYTON YATES
PRESIDENT
FRANK YATES, JR.
EXECUTIVE VICE PRESIDENT
JOHN A. YATES, JR.
SENIOR VICE PRESIDENT

July 5, 2007

Mr. Chris Williams
NMOCD District I
1625 French Drive
Hobbs, NM 88240

RE: Amanda AMN Federal #1
30-025-31947
Section 11, T23S-R32E
Lea County, New Mexico

Dear Mr. Williams,

Enclosed please find a Form C-141, Final Report for the above captioned site regarding the release on November 8, 2006 (300 B/PW with 260 B/PW recovered), outside of the northwest corner of the location pad. Contaminated soils were excavated and taken to an OCD approved land disposal facility. Samples have been taken (June 19, 2007) and sent to an OCD approved laboratory for analysis (please see attached analytical reports and sample diagram). Site ranking is zero (0), with the depth to ground water > 100' (approximately 510'). Based on the remedial and cleanup actions taken (produced water recovered, excavation of contaminated soils), analytical results and any remaining contaminants will not pose a threat to fresh water, public health and the environment in the release area, Yates Petroleum Corporation requests no further remediation and site closure.

If you have any questions, please call me at 505-748-4217.

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
Address 104 S. 4 th Street	API Number 30-025-31947	Telephone No. 505-748-1471
Facility Name Amanda AMN Federal #1		Facility Type Battery
Surface Owner Federal	Mineral Owner Federal	Lease No. NM-77062

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	11	23S	32E	2310	North	1650	East	Lea

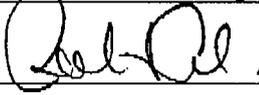
Latitude 32.32016 Longitude 103.64814

RP 1123

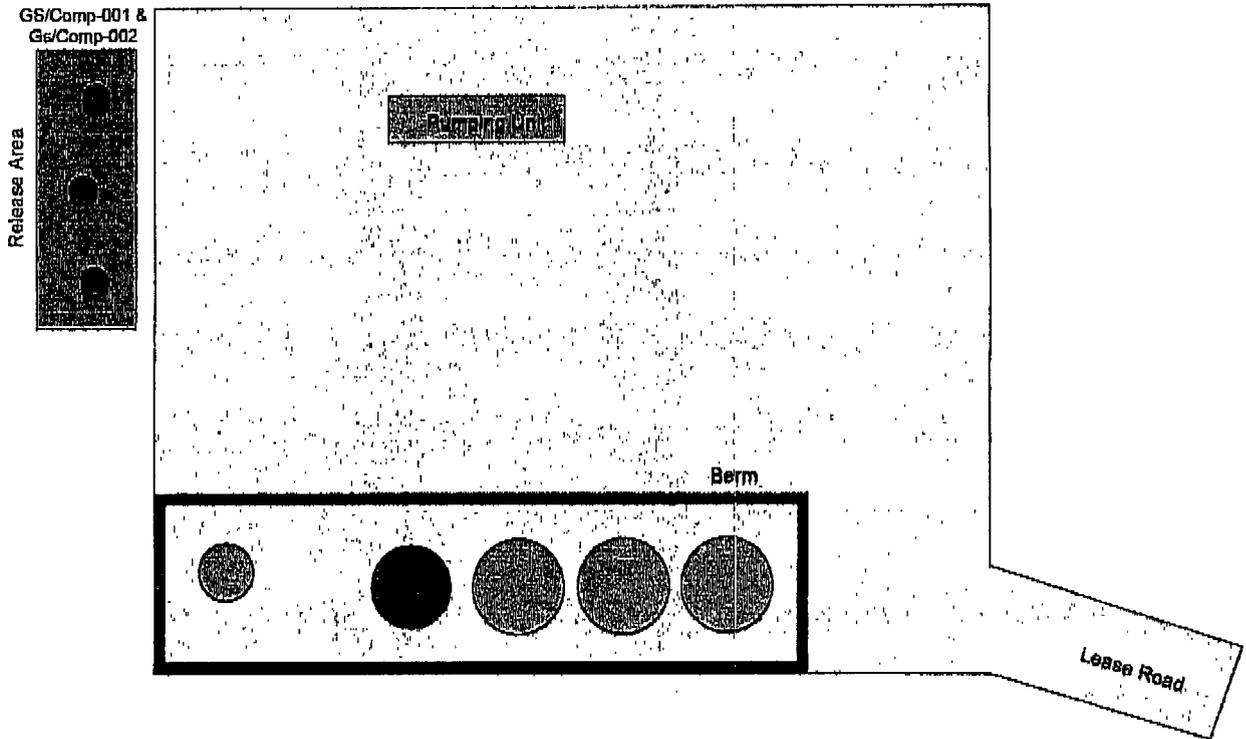
NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 300 B/PW	Volume Recovered 260 B/PW
Source of Release Water Line	Date and Hour of Occurrence 11/8/2006 - PM	Date and Hour of Discovery 11/9/2006 - AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Pat Caperton - District I/OCD	
By Whom? Bob Asher - Yates Petroleum Corporation	Date and Hour 11/9/2006 @ 3:23 PM (e-mail); 11/9/2006 @ 3:24 PM (telephone)	
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.* Leak on produced water line. Released fluids stayed on west edge of pad and pooled at the NW corner just off of pad. Vacuum truck called.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 65' X 15'. Shut valves at main water line and shut down well. Water line repaired and fluids vacuumed up, contaminated soils were excavated and hauled to an OCD approved land disposal facility. Vertical and horizontal delineation will be made and any corrective to be performed. Depth to Ground Water: >100'; Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 0. With enclosed information, 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.		

OIL CONSERVATION DIVISION

Signature: 	Approved by District Supervisor: 	
Printed Name: Robert Asher	Approval Date: <u>9/26/07</u>	Expiration Date: <u>9/26/07</u>
Title: Environmental Regulatory Agent	Conditions of Approval:	
E-mail Address: boba@ypcnm.com	Attached <input type="checkbox"/>	
Date: Thursday, July 05, 2007	Phone: 505-748-1471	

* Attach Additional Sheets If Necessary



Sample ID	Sample Date	Sample Type	Depth	BTEX	Chlorides	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
	6/18/2007	Grab	1'	ND	451	ND	75.2	75.2
	6/18/2007	Grab	2'	ND	1700	ND	55.6	55.6

Site Ranking is Zero (0). Depth to Ground Water >100' (approx. 510')
 All results are ppm.



Amanda AMN Federal #1
Section 11, T23S-R32E
Lea County, NM

EXHIBIT
Sample Diagram (Not to Scale)
 Prepared by Robert Asher
 Environmental Regulatory Agent
 July 5, 2007

Analytical Report 284658

for

Yates Petroleum Corporation

Project Manager: Robert Asher

Amanda AMN Federal # 1

30-025-31947

28-JUN-07



12600 West I-20 East Odessa, Texas 79765

NELAC certification numbers:

Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America



28-JUN-07

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

Reference: XENCO Report No: **284658**
Amanda AMN Federal # 1
Project Address: **Lea 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 284658. 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. 284658 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

Odessa Laboratory Director

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 - Latin America



Sample Cross Reference 284658



Yates Petroleum Corporation, Artesia, NM
Amanda AMN Federal # 1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-001	S	Jun-18-07 10:07	1 - 1 ft	284658-001
GS/Comp-002	S	Jun-18-07 10:22	2 - 2 ft	284658-002
GS/Comp-003	S	Jun-18-07 10:45	1 - 1 ft	284658-003



Certificate of Analysis Summary 284658

Yates Petroleum Corporation, Artesia, NM

Project Name: Amanda AMIN Federal # 1



Project Id: 30-025-31947

Contact: Robert Asher

Project Location: Lea County

Date Received in Lab: Thu Jun-21-07 09:40 am

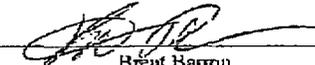
Report Date: 28-JUN-07

Project Manager: Brent Barrow, II

Analysis Requested	Lab Id:	284658-001	284658-002	284658-003			
	Field Id:	GS/Comp-001	GS/Comp-002	GS/Comp-003			
	Depth:	1-1 ft	2-2 ft	1-1 ft			
	Matrix:	SOIL	SOIL	SOIL			
	Sampled:	Jun-18-07 10:07	Jun-18-07 10:22	Jun-18-07 10:45			
BTEX by EPA 8021B	Extracted:	Jun-26-07 14:40	Jun-26-07 14:40	Jun-26-07 14:40			
	Analyzed:	Jun-27-07 17:17	Jun-27-07 17:38	Jun-27-07 17:59			
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL			
Benzene		ND 0.0022	ND 0.0022	ND 0.0022			
Toluene		ND 0.0022	ND 0.0022	ND 0.0022			
Ethylbenzene		ND 0.0022	ND 0.0022	ND 0.0022			
m,p-Xylene		ND 0.0043	ND 0.0044	ND 0.0044			
o-Xylene		ND 0.0022	ND 0.0022	ND 0.0022			
Total Xylenes		ND	ND	ND			
Total BTEX		ND	ND	ND			
Inorganic Anions by EPA 300	Extracted:	Jun-26-07 15:16	Jun-26-07 15:35	Jun-26-07 16:13			
	Analyzed:	Jun-26-07 15:16	Jun-26-07 15:35	Jun-26-07 16:13			
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL			
Chloride		451 0.545	1709 0.555	4860 0.545			
Percent Moisture	Extracted:	Jun-22-07 16:16	Jun-22-07 16:11	Jun-22-07 16:06			
	Analyzed:	Jun-22-07 16:16	Jun-22-07 16:11	Jun-22-07 16:06			
	Units/RL:	% RL	% RL	% RL			
Percent Moisture		7.93	5.04	8.3			
TPH by SW 8015B	Extracted:	Jun-23-07 09:45	Jun-23-07 09:47	Jun-23-07 09:49			
	Analyzed:	Jun-23-07 11:10	Jun-23-07 11:35	Jun-23-07 12:00			
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL			
C6-C10 Gasoline Range Hydrocarbons		ND 27.2	ND 27.8	ND 27.3			
C10-C28 Diesel Range Hydrocarbons		75.2 27.2	35.6 27.8	1.29 27.3			

This analytical report and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results shown 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 Job Order is limited to the written services for this work order unless otherwise agreed to in writing.

Since 1990 Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America


Brent Barrow
Odessa Laboratory Director

JUL-05-2007 THU 05:42 PM YATES ENGINEERING

FAX NO. 15057484585

P. 08/11



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.

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 - Latin America

11381 Meadowglen Lane Suite L Houston, Tx 77082-2647
 9701 Harry Hines Blvd , Dallas, TX 75220
 5352 Blackberry Drive, Suite 104, San Antonio, TX 78238
 3016 U.S. HWY 301 North - Suite 900, Tampa, FL 33619
 5757 NW 158th St, Miami Lakes, FL 33014

Phone	Fax
(281) 589-0692	(281) 589-0695
(214) 902 0300	(214) 351-9139
(210) 509-3334	(201) 509-3335
(813) 620-2000	(813) 620-2033
(305) 823-8500	(305) 823-8555

Environmental Lab of Texas
Variance/ Corrective Action Report- Sample Log-In

Client: Yates
 Date/ Time: 6-21-07 9:40
 Lab ID #: 284658
 Initials: AL

Sample Receipt Checklist

	Yes	No	Client Initials
#1 Temperature of container/ cooler?	Yes	No	3, 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 within on Cont./ Lid
#9 Container (shell) fragile and intact?	Yes	No	Not Applicable
#10 Sample matrix/ properties agree with Chain of Custody?	Yes	No	
#11 Containers supplied by ELOTT?	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 Subcontract of sample(s)?	Yes	No	Not Applicable
#20 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 for
 - Client understands and would like to proceed with analysis
 - Cooling process had begun shortly after sampling event