

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

NOV - 7 2008

OCD-ARTESIA

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** X Initial Report Final Report

Name of Company Yates Petroleum Corporation	Contact Mike Stubblefield
Address 105 South 4 <sup>th</sup> Street, Artesia, N.M. 88210	Telephone No. 505-748-4500 505-513-1712
Facility Name Loving AIB State #1 Tank battery 30-015-22889	Facility Type Tank Battery

Surface Owner Fee	Mineral Owner. State	Lease No.
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**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	16	23s	28e	1650'	FSL	990'	FWL	Eddy

Latitude \_\_\_ Longitude

**NATURE OF RELEASE**

Type of Release Produced water & Oil	Volume of Release 500 bbls PW 1 bbl oil	Volume Recovered 65 bbls PW
Source of Release Water tank valve was opened.	Date and Hour of Occurrence 10/25/08 7:00am	Date and Hour of Discovery same
Was Immediate Notice Given? Yes X No Not Required	If YES, To Whom? NMOCD after hour's answering service.	
By Whom? Jerry Fanning.	Date and Hour 10/25/2008 pm	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\* The valve leading to the stock tank containing produced water was found to be left open. The valve was closed. The impacted area was the location and a farm road running next to the location. A vacuum truck was brought to the location and free waters were recovered.

Describe Area Affected and Cleanup Action Taken.  
The impacted area on the location was measured to be 48'x78'. Two flow paths were running off the location on to a farm road. First flow path measured to be 220' long by 4'-14' wide. Second flow path measured to be 375' long by 4'-14' wide. A backhoe was brought to the location and saturated soil was excavated and hauled to and NMOCD approved solid waste disposal facility. Average excavated depth 6" bgs. A remediation work plan is being submitted with the initial C-141 form for NMOCD approval. The impacted soil with Chlorides above the background concentration for Chlorides in the area will be excavated and hauled to an NMOCD approved solid waste disposal facility. When final analytical results report the Chlorides to be corrected to the concentration for background Chlorides in the area. TPH & B-TEX to be under the RRAL for the site a final C-141 form will be submitted by Yates Petroleum Corporation requesting closure for the release that occurred on 10/25/2008.  
Site ranking Depth to ground water - < 50', Wellhead protection area - > 1000', Distance to surface water body - > 1000' site ranking score - 20

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>Mike Stubblefield</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Mike Stubblefield	Approved by District Supervisor: <i>T. O'Connell SR</i>	Remediation Actions to be completed and Final C-141 submitted with confirmation analyses/documentation on or before the Expiration Date. ↓
Title: Environmental Regulatory Agent	Approval Date: <i>11-25-08</i>	Expiration Date: <i>01-31-09</i>
E-mail Address: mikes@ypcnm.com	Conditions of Approval: <i>SEE STIPULATIONS</i>	Attached <input checked="" type="checkbox"/>
Date: 11/6/2008 Phone: 505-748-4500		2RP - <i>277</i>

\* Attach Additional Sheets If Necessary

Notify OCD 48 hours prior to obtaining samples where analyses are to be presented to OCD

# **Remediation Work Plan**

**Yates Petroleum Corporation**

**Loving "AIB" State Unit #1 Tank Battery**

**Section 16 T23S-R28E**

**Eddy County, New Mexico**

**11/6/2008**

## Remediation Work plan

**Incident Date:** 10/25/2008

**Location:** Loving AIB State #1  
Unit G Section 16 T23S R28E  
Eddy County, New Mexico

The Loving AIB State #1 is located 16 miles south east of Carlsbad, NM. This site lies east of the Pecos River on land border by cultivated fields. Area surface geology includes river deposits, sandstones over lying limestone & dolomite. The area dry at the time of the spill consists of soil that is fine grained, loamy and interspersed with clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface. The New Mexico State Engineer website indicates groundwater in the section 16 to be at an average depth of 40' feet. The water quality in the area is poor.

The ranking for this site is (20) based on the as following:

Depth to ground water	< 50'
Wellhead Protection Area	> 1000'
Distance to surface water body	> 1000'

### Incident Description:

On 10/25/2008 the pumper found a water valve open leading to the stock tank containing produced water at the tank battery. The release volume was 500 bbls of produced waters. The water valve was closed and a vacuum truck was called to the facility. The recovered volume of produced waters was 65 bbls.

### Action Taken:

The impacted area located on the location was measured to be 48' x 78'. The impacted area then split into two flow paths which run south of the location along a road used for farming operations. The first flow path leading off the location is measured to be 220' in length and 4'-14' in width. The second flow path is measured to be 375' in length and 4'-14' in width. A back hoe was immediately brought to the location and the saturated soil from the release was excavated to an average depth of 6" BGS. The excavated soil was then hauled to an NMOCD approved solid waste disposal facility.

1/16/2007 an auger rig was brought to the Loving AIB State #1 for the purpose of delineating for background Chlorides in the area. The borehole labeled background #2 was drilling in a non impacted area located in the middle of the caliches location at the Loving "AIB" State #1. Soil samples were taken by Safety & Environmental Solutions Inc. The borehole labeled Background #2 was drilling to a TD of 17 ½' BGS. Grab soil samples were taken from a depth of 5' BGS, 13' BGS, 15' BGS & 17 ½' BGS. Analytical results received from Argon Laboratories dated 1/18/2007 reported the

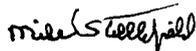
background Chlorides at the Loving AIB State #1. Chlorides 5' BGS-720 mg/kg, Chlorides 13' BGS-960 mg/kg, Chlorides 15' BGS-810 mg/kg, Chlorides 17' ½' BGS-390 mg/kg. See Analytical results from Argon Laboratories dated 1/18/2008.

**Closure action:**

The impacted soil above the background for chlorides in the area will be excavated and hauled to and NMOCD approved solid waste disposal facility. The background for Chlorides as reported by analytical results received from Argon Lab. dated 1/16/2008 reported the background for Chlorides in the area to be 720 ppm 5' BGS. Soil samples will be taken from the excavated areas. The soil samples will be submitted to a second party lab and analyzed for TPH using 8015m. B-TEX using EPA method 8021b. The Chlorides will be analyzed using EPA method 4500 CLB. When analytical results report the TPH to be 100 ppm, B-TEX to be 50 mg/kg. The Chlorides will be corrected to the background concentration for Chlorides in the area. The excavation will be concluded and the excavated area will then be backfilled to grade using clean soil and like material. A final C-141 form will then be submitted to OCD requesting closure for the release that occurred on 10/25/2008.

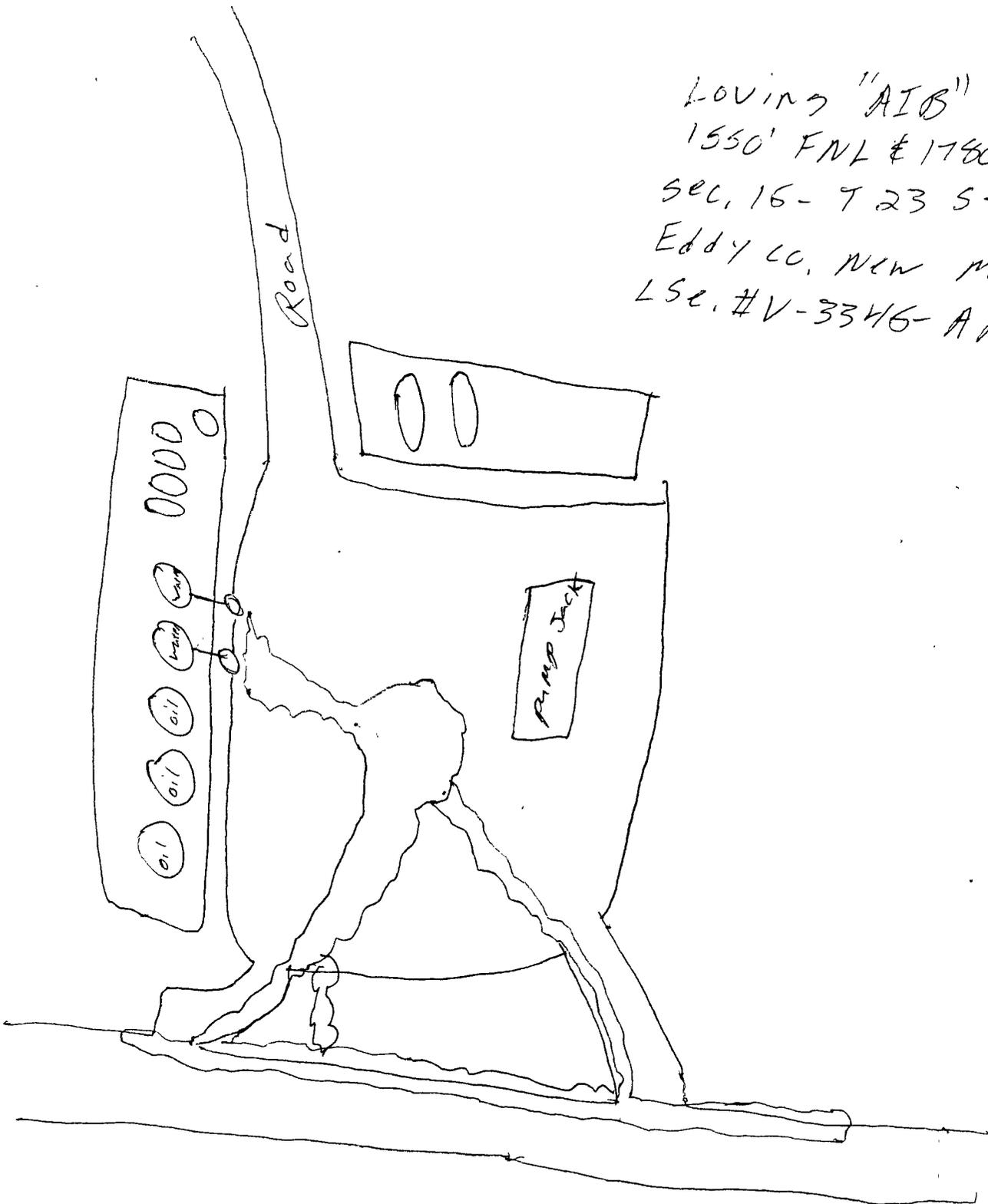
If you have questions or need additional information, please contact me at 505-748-4500.or E-mail me at [mikes@ypcnm.com](mailto:mikes@ypcnm.com).

Sincerely,



Mike Stubblefield  
Environmental Regulatory Agent

Loving "AIB" State #1  
1550' FNL & 1780' FEL-SW<sub>1</sub>  
Sec. 16- T 23 S-R 28 E-4<sub>1</sub>  
Eddy Co. New Mexico  
LSe. #V-3346- API #30-d15  
2288.



4"  
Sand 10"

# argon laboratories

Safety & Environmental Solutions, Inc. 703 E. Clinton Ave Hobbs, NM 88240	Project Number: Yat-06-010 Project Name: Yares AIB Project Manager: Bob Allen	Work Order No.: B701007
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## Anions by Ion Chromatography - EPA Method 300.0

Analyte	Result	Reporting Limit	Units	Dilution	Analyzed	Method	Notes
<b>Background #2 5' bgs (B701007-01) Soil</b> <b>Sampled: 01/16/07 10:15</b> <b>Received: 01/17/07 15:02</b>							
Chloride	720	10	mg/kg	1	01/18/07	EPA 300.0	
<b>Background #2 13' bgs (B701007-02) Soil</b> <b>Sampled: 01/16/07 10:35</b> <b>Received: 01/17/07 15:02</b>							
Chloride	960	10	mg/kg	1	01/18/07	EPA 300.0	
<b>Background #2 15' bgs (B701007-03) Soil</b> <b>Sampled: 01/16/07 10:40</b> <b>Received: 01/17/07 15:02</b>							
Chloride	810	10	mg/kg	1	01/18/07	EPA 300.0	
<b>Background #2 17 1/2' bgs (B701007-04) Soil</b> <b>Sampled: 01/16/07 11:00</b> <b>Received: 01/17/07 15:02</b>							
Chloride	390	10	mg/kg	1	01/18/07	EPA 300.0	
<b>#1 23' bgs (B701007-05) Soil</b> <b>Sampled: 01/16/07 14:40</b> <b>Received: 01/17/07 15:02</b>							
Chloride	4700	10	mg/kg	1	01/18/07	EPA 300.0	
<b>#1 26' bgs (B701007-06) Soil</b> <b>Sampled: 01/16/07 15:00</b> <b>Received: 01/17/07 15:02</b>							
Chloride	5300	10	mg/kg	1	01/18/07	EPA 300.0	
<b>#1 30' bgs (B701007-07) Soil</b> <b>Sampled: 01/16/07 15:15</b> <b>Received: 01/17/07 15:02</b>							
Chloride	910	10	mg/kg	1	01/18/07	EPA 300.0	
<b>#1 35' bgs (B701007-08) Soil</b> <b>Sampled: 01/16/07 16:00</b> <b>Received: 01/17/07 15:02</b>							
Chloride	520	10	mg/kg	1	01/18/07	EPA 300.0	

  
 \_\_\_\_\_  
 QC Officer Approval  
 Argon Laboratories, Inc.

# argon laboratories

Safety & Environmental Solutions, Inc. 703 E. Clinton Ave Hobbs, NM 88240	Project Number: Yat-06-010 Project Name: Yates AIB Project Manager: Bob Allen	Work Order No.: B701007
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## Anions by Ion Chromatography - EPA Method 300.0 - Quality Control

### Argon Laboratories

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
<b>Batch BQ00005 - General Prep</b>										
<b>Blank (BQ00005-BLK1)</b> <span style="float: right;">Prepared &amp; Analyzed: 01/18/07</span>										
Chloride	ND	10	mg/kg							
<b>LCS (BQ00005-BS1)</b> <span style="float: right;">Prepared &amp; Analyzed: 01/18/07</span>										
Chloride	4.80		mg/kg	5.00		96	70-130			
<b>LCS Dup (BQ00005-BSD1)</b> <span style="float: right;">Prepared &amp; Analyzed: 01/18/07</span>										
Chloride	4.93		mg/kg	5.00		99	70-130	3	20	
<b>Duplicate (BQ00005-DUP2)</b> <span style="float: right;">Prepared &amp; Analyzed: 01/18/07</span>										
Chloride	4900	10	mg/kg		4700			4	20	
<b>Matrix Spike (BQ00005-MS1)</b> <span style="float: right;">Prepared &amp; Analyzed: 01/18/07</span>										
Chloride	36.4		mg/kg	5.00	32	88	70-130			
<b>Matrix Spike Dup (BQ00005-MSD1)</b> <span style="float: right;">Prepared &amp; Analyzed: 01/18/07</span>										
Chloride	36.7		mg/kg	5.00	32	94	70-130	0.8	20	

  
QC Officer Approval

Argon Laboratories, Inc.

2126 W. Marland Ave., Hobbs, NM 88240 • Phone: (505) 397-0295 • Fax: (505) 397-0296

email: [info@argonlabs.com](mailto:info@argonlabs.com)



PHONE (405) 391-0339 • FAX (405) 391-0397 • 1321 W. MARLAND • P.O. BOX 833 • HONOLULU, HI 96811-0833  
E-MAIL: [cburtonson@bbcinternational.com](mailto:cburtonson@bbcinternational.com)

January 18, 2005.

Mike Bratcher  
NM Oil Conservation Division  
1301 W. Grand Ave.  
Artesia, NM 88210

**RE: Remediation Plan – Bird Creek LLC – East Loving SWD Project  
SW NE SEC. 15, 23S, 28E, Eddy Co.**

Dear Mr. Bratcher:

On behalf of Bird Creek LLC, BBC International, Inc. would like to submit this remediation plan to address the chloride impact at the above mentioned facility.

During our conversation last week about our approach for remediating this site, you requested current groundwater analysis data if available. We were successful in finding two water wells in the immediate area that were available to be tested. I have attached the test results from Cardinal Laboratories. Both of these wells are owned by the same person, Mr. Reid, who lives approximately 0.9 miles southeast of the site. Mr. Reid said he has not used the wells for many years prior to the facility being built because of the poor water quality. The well closest to the site is in his alfalfa field located to the southwest of the site. This well was purged and sampled on January 14, 2005. The sample ID of this well is REID 1/10. The results indicate 10,136 parts per million (ppm) Total Dissolved Solids (TDS). The second well is located at Mr. Reid's home which is approximately 0.9 miles southeast of the site. The well at his home was purged and sampled on January 14, 2005. The sample ID of this well is REID 9/10. The results indicate 5,792 parts per million (ppm) Total Dissolved Solids (TDS). It was not possible to gauge the depth of the wells, but Mr. Reid indicated they were in the range of at least 50 feet.

Taking into consideration the above information, BBC therefore proposes to conduct the following remediation activities at the site:

Impacted soil will be excavated in an area that is 138 feet by 68 feet to a depth of 1.5 feet below the existing level from the previous excavation. This area encompasses the current battery and berm and an additional area of 10 feet outside the current berm. The tanks will remain in place and soil around them and the associated lines will be removed as well. All of the excavated soil will be disposed of at CRI's OCD-approved disposal facility. In addition, the previously excavated soil that has been stockpiled on the location and the current berm material will be disposed of at CRI's facility.

*Photos via e-mail*

A red-bed clay liner will be placed in the excavated area. The clay will be watered and compacted to the appropriate density. The compacted clay will be tested to confirm its compaction. Then, the excavation will be backfilled with clean soil, compacted, and leveled to grade. A new berm will be constructed to complete the remediation of the site.

I appreciate your cooperation in formulating this remediation plan. I look forward to your immediate approval of this plan so that this project may move forward to completion.

If you have any questions, please do not hesitate to contact either myself or Ken Swinney (BBC) at (505) 397-6388 or via e-mail: [cbrunson@bbcinternational.com](mailto:cbrunson@bbcinternational.com) or [kswinney@bbcinternational.com](mailto:kswinney@bbcinternational.com).

Sincerely,  
BBC International, Inc.

Cliff P. Brunson, CEI, CRS  
President

CPB:jg

encl.

cc: Ken Swinney – BBC International, Inc.  
Scott Gruns – Bird Creek LLC  
Paul Hagemeyer – Chesapeake



PHONE (915) 873-7001 • 2111 BEECHWOOD • ABILENE, TX 79603  
 PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
 BBC INTERNATIONAL, INC.  
 ATTN: CLIFF BRUNSON  
 P.O BOX 805  
 HOBBS, NM 88241  
 FAX TO: (505) 397-0397

Receiving Date: 01/14/05  
 Reporting Date: 01/18/05  
 Project Owner: BIRD CREEK LLC  
 Project Name: LOVING SWD  
 Project Location: LOVING, NM

Analysis Date: 01/17/05  
 Sampling Date: 01/14/05  
 Sample Type: SOIL  
 Sample Condition: COOL & INTACT  
 Sample Received By: AH  
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	TDS (mg/L)
H9472-1	REID 1/10	10138
H9472-2	REID 9/10	5792
Quality Control		NR
True Value QC		NR
% Recovery		NR
Relative Percent Difference		1.4
METHOD: EPA 800/4-79-020		160.1

*Amy Hill*  
 Chemist

1/18/05  
 Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



**CARDINAL LABORATORIES, INC.**

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240  
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

**CHAIN-OF-CUSTODY AND ANALYSIS REQUEST**

Page 1 of 1

Company Name: <u>RBC International, Inc.</u>		<b>BILL TO</b>		<b>ANALYSIS REQUEST</b>																			
Project Manager: <u>Cliff Brown</u>		P.O. #																					
Address: <u>1314 W. Mackland</u>		Company:																					
City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>88240</u>		Attr:																					
Phone #: <u>(505) 397-2388</u> Fax #: <u>(505) 397-0787</u>		Address:																					
Project #: <u>-</u> Project Owner: <u>Bird Creek LLC</u>		City:																					
Project Name: <u>Loving SWD</u>		State: Zip:																					
Project Location: <u>Loving N.M.</u>		Phone #:																					
Sampler Name: <u>Ken Swinney</u>		Fax #:																					
FOR LAB USE ONLY																							
Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS											MATRIX	PRESERV	SAMPLING	DATE	TIME					
				GROUNDWATER WASTEWATER SOIL CRUDE OIL SLUDGE OTHER :	ACID/BASE ICE / COOL OTHER :																		
<u>H9412-1</u>	<u>acid 1/10</u>	<u>G</u>	<u>1</u>				<u>1-14-05</u>	<u>12:00</u>															
<u>-2</u>	<u>acid 1/10</u>	<u>G</u>	<u>1</u>				<u>1-14-05</u>	<u>12:05</u>															

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's acceptance is limited to the amount of the original price for the analysis. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable portion. In no event shall Cardinal be liable for tortious or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors' arising out of or related to the performance of services hereunder by Cardinal. Regardless of whether such claim is based upon any of the above stated theories or otherwise.

Terms and Conditions. Invoices will be charged on all accounts more than 30 days past due at the rate of 2.0% per month from the original date of billing, and all costs of collection, including attorney's fees.

Sampler Relinquished:	Date: <u>1-14-05</u>	Received By:	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
<u>Ken Swinney</u>	Time: <u>12:30</u>	<u>Roger Hernandez</u>	Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:	Date: <u>1-14-05</u>	Received By: (Lab Staff)	REMARKS:	
<u>Roger Hernandez</u>	Time: <u>5:40</u>	<u>Amel Hill</u>		
Delivered By: (Circle One)	Sampler: UPS - Bus - Other:	Sample Condition	CHECKED BY: (initials)	
		Cool <input type="checkbox"/> Intact <input type="checkbox"/>		
		Yes <input type="checkbox"/> No <input type="checkbox"/>		

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2475.

# argon laboratories

23 January 2007

Bob Allen  
Safety & Environmental Solutions, Inc.  
703 E. Clinton Ave  
Hobbs, NM 88240

RE: Yates AIB Project Data

*VAT-06-010*

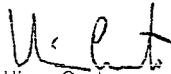
Enclosed are the results for sample(s) received on 01/17/07 15:02 by Argon Laboratories. The sample(s) were analyzed according to instructions in accompanying chain-of-custody. Results are summarized on the following pages.

Please see quality control report for a summary of QC data pertaining to this project.

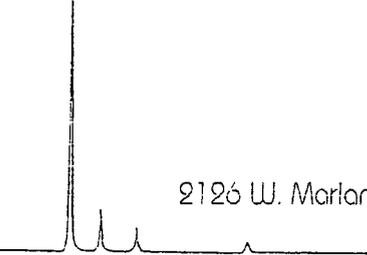
The sample(s) will be stored for 30 days after completion of analysis, then disposed of in accordance with State and Federal regulations. Sample(s) may be archived by prior arrangement.

Thank you for the opportunity to service the needs of your company.

Sincerely,



Hiram Cueto  
Lab Manager



2126 W. Marland Ave., Hobbs, NM 88240 • Phone (505) 397-0295 • Fax (505) 397-0296  
email: [info@argonlabs.com](mailto:info@argonlabs.com)



# Argon Laboratories Sample Receipt Checklist

Client Name: Safety & Environmental Sol. Date & Time Received: 1/17/2007 15:00

Project Name: Yates AIB Client Project Number: YAT-06-010

Received By: J.E. Matrix: Water  Soil

Sample Carrier: Client  Laboratory  Fed Ex  UPS  Other

Argon Labs Project Number: B701007

Shipper Container in good condition? N/A  Yes  No  Samples received in proper containers? Yes  No

Samples received intact? Yes  No

Samples received under refrigeration? Yes  No  Sufficient sample volume for requested tests? Yes  No

Chain of custody present? Yes  No  Samples received within holding time? Yes  No

Chain of Custody signed by all parties? Yes  No  Do samples contain proper preservative?

N/A  Yes  No

Chain of Custody matches all sample labels? Yes  No  Do VOA vials contain zero headspace?

(None submitted ) Yes  No

ANY "No" RESPONSE MUST BE DETAILED IN THE COMMENTS SECTION BELOW

Date Client Contacted: \_\_\_\_\_ Person Contacted: \_\_\_\_\_

Contacted By: \_\_\_\_\_ Subject: \_\_\_\_\_

Comments: \_\_\_\_\_

\_\_\_\_\_

Action Taken: \_\_\_\_\_

\_\_\_\_\_

### ADDITIONAL TEST(S) REQUEST / OTHER

Contacted By \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

Call Received By: \_\_\_\_\_

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

# argon laboratories

Safety & Environmental Solutions, Inc.  
703 E. Clinton Ave  
Hobbs, NM 88240

Project Number: Yat-06-010  
Project Name: Yates AIB  
Project Manager: Bob Allen

Work Order No.:  
B701007

## ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
Background #2 5' bgs	B701007-01	Soil	01/16/07 10:15	01/17/07 15:02
Background #2 13' bgs	B701007-02	Soil	01/16/07 10:35	01/17/07 15:02
Background #2 15' bgs	B701007-03	Soil	01/16/07 10:40	01/17/07 15:02
Background #2 17 1/2' bgs	B701007-04	Soil	01/16/07 11:00	01/17/07 15:02
#1 23' bgs	B701007-05	Soil	01/16/07 14:40	01/17/07 15:02
#1 26' bgs	B701007-06	Soil	01/16/07 15:00	01/17/07 15:02
#1 30' bgs	B701007-07	Soil	01/16/07 15:15	01/17/07 15:02
#1 35' bgs	B701007-08	Soil	01/16/07 16:00	01/17/07 15:02

  
\_\_\_\_\_  
QC Officer Approval

Argon Laboratories, Inc.

2126 W. Marland Ave., Hobbs, NM 88240 • Phone (505) 397-0295 • Fax (505) 397-0296  
email: info@argonlabs.com

Page 1 of 4



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

Joanna Prukop  
Cabinet Secretary  
Reese Fullerton  
Deputy Cabinet Secretary

Mark Fesmire  
Division Director  
Oil Conservation Division



November 25, 2008

Yates Petroleum Corporation  
Attn: Mr. Mike Stubblefield  
105 S 4<sup>th</sup> Street  
Artesia, NM 88210

Reference: Loving SWD 001 30-015-22889  
G-16-23S-28E Eddy County, New Mexico  
2RP-277

Operator,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of an Initial Report C-141 reporting a release of produced water and crude oil occurring at the above referenced facility. Additionally, OCD is also in receipt of a remediation work plan (plan) stating the impacted soil above the background for chlorides in the area will be excavated and hauled to a NMOCD approved solid waste disposal facility.

OCD notes operator provided background soil data for the site.

The plan is accepted with the following stipulations:

- Confirmation soil analyses for constituents of concern (to include but not limited to TPH, BTEX, and chlorides) will be required upon completion of excavation.
- Notify the OCD 48 hours prior to obtaining samples where analyses are to be submitted to the OCD.
- Results of analytical data obtained through sampling shall be forwarded to OCD for approval **prior** to any backfilling activities
- A final Report C-141 is to be submitted to the OCD upon satisfactory completion of remediation project.
- Remediation requirements may be subject to change as site conditions warrant.
- Remediation activities to be completed on or before **January 31, 2009**.

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

Respectfully,

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