YATES PETROLEUM CORPORATION
105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (575) 748-1471

January 8, 2010

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

Re: Spearman KQ Federal Com. #1
30-015-22861
Section 13, T18S-R24E
Eddy County, New Mexico

Dear Mr. Bratcher:

Yates Petroleum Corporation would like to submit for your consideration the enclosed work plan for the above captioned well. The plan is being submitted in response to the C-141 report dated December 14, 2009. Scope of work described in the plan will be conducted as soon as weather permits, this well needs to be put back into production, and a contractor has been scheduled to begin work the week of January 11th.

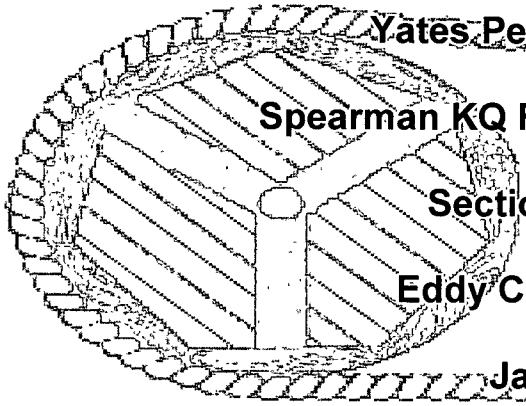
If you have any questions call me at (575) 748-4217

Thank you.

YATES PETROLEUM CORPROATION

Robert Asher
Environmental Regulatory Agent

Enclosure(s)



Yates Petroleum Corporation

Spearman KQ Federal Com. #1 Work Plan

Section 13, T18S-R24E

Eddy County, New Mexico

January 8, 2010

I. Location

The well is located approximately 12 miles south-southwest of Artesia, NM north off of Four Dinkus Road (CR 39), as represented by the attached Parish Ranch, NM, USGS Quadrangle Map. The Hope SE, NM, USGS Quadrangle Map is for a reference map of water wells listed on the New Mexico Office of the State Engineers web site.

II. Background

On December 17, 2009, Yates submitted to the NMOCD District II office a Form C-141 for releases of 128 barrels of oil and 4 barrels of produced water with no oil or produced water recovered. This release occurred 12/14/2009. The NMOCD was notified of the release (voicemail and e-mail). The total affected area is approximately 45 feet by 45 feet, inside and outside (NW corner) of the bermed tank battery. Initial delineation samples were taken and analyzed at the YPC laboratory. Results were above limits for the RRAL's.

III. Surface and Ground Water

Area surface geology is Paleozoic. The nearest groundwater of record is listed on the New Mexico Office of the State Engineers web site shows the depth to groundwater is approximately 230 feet (Unit Letter D, Section 18, T18S-R25E) making the site ranking for this site a zero (0). Any watercourses in the area are dry and imtermittent, except for infrequent flows in response to major precipitation events.

The ranking for this site is zero (0) based on the as following:

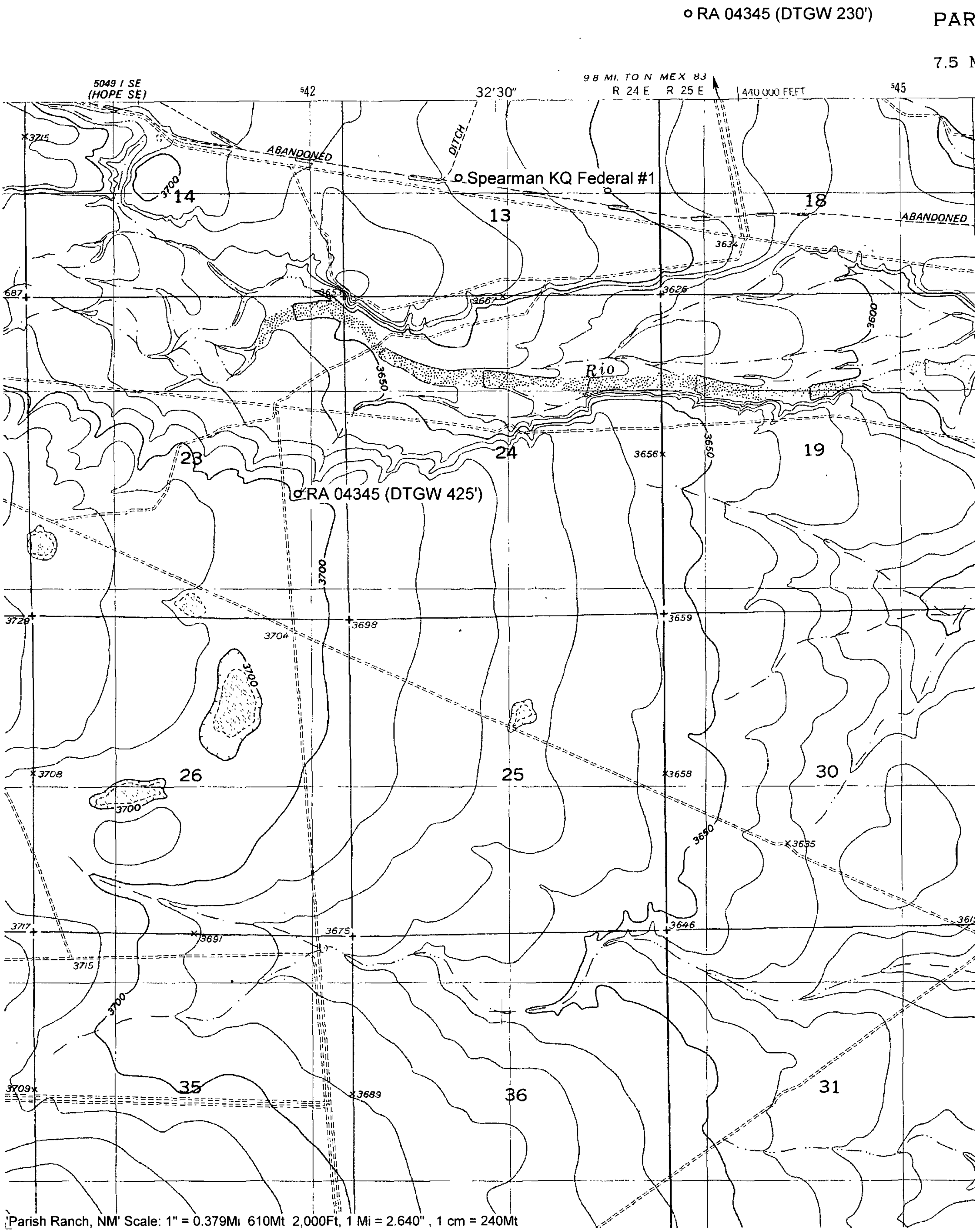
Depth to ground water	> 100'
Wellhead Protection Area	> 1000'
Distance to surface water body	> 1000'

IV. Soils

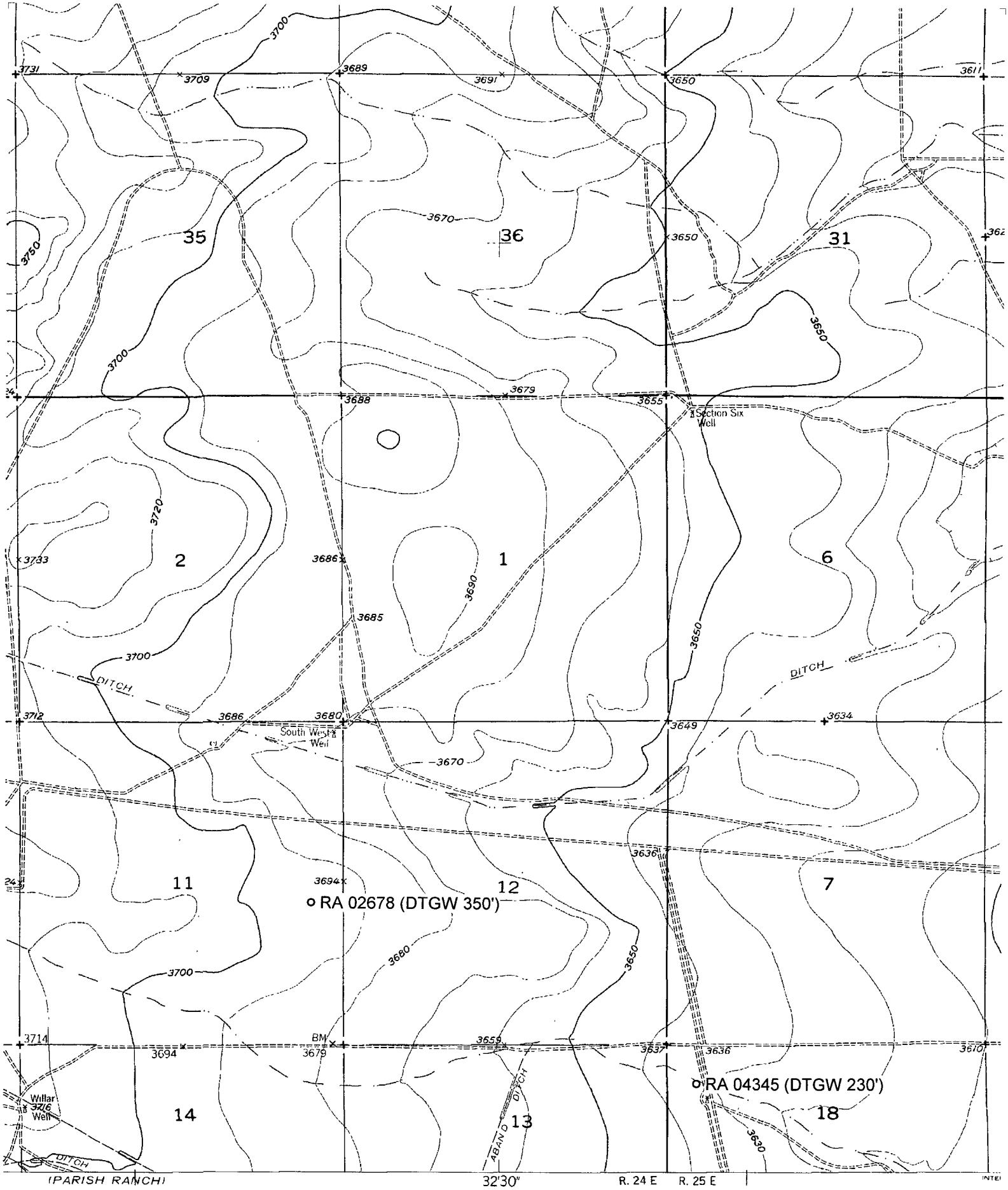
The area consists of soils that are loamy, interspersed with caliche and clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface.

V. Scope of Work

Yates Petroleum Corporation will have a contractor use a backhoe to excavate all impacted soils. These soils will be taken to an NMOCD approved facility. Further delineation sampling will be obtained, these samples will be field analyzed for THP, if needed samples will be sent to an NMOCD approved laboratory and analyzed for BTEX and THP (chlorides analysis will be submitted for documentation). If results are within the RRAL's for BTEX (50 ppm) and TPH (5000 ppm) with the Total Ranking Score of zero (0), Yates Petroleum Corporation will request a sampling event and then closure of the site. Upon final approval the excavated area will be backfilled with clean, like soils.



'Parish Ranch, NM' Scale: 1" = 0.379Mi 610Mt 2,000Ft, 1 Mi = 2.640" , 1 cm = 240Mt


RA 02678 (DTGW 350')
RA 04345 (DTGW 230')
Spearman KQ Federal #1
Section Six Well
South West Well
Willar 32/6 Well
DITCH
ABAN D DITCH
(PARISH RANCH)
32'30"
R. 24 E
R. 25 E
SCALE 1:24000
0
1 MILE
2000 3000 4000 5000 6000 7000 FEET
'Hope SE; NM' Scale· 1" = 0.379Mi 610Mt 2,000Ft, 1 Mi = 2.640" , 1 cm = 240Mt
Medium-duty