

MARTIN YATES, III
1912-1985
FRANK W. YATES
1936-1986
S.P. YATES
1914-2008



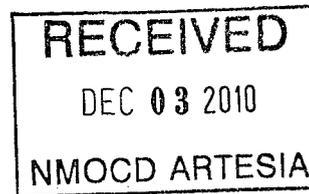
105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
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December 3, 2010

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

Re: Skuzie XL Com. #1
2RP-488
30-015-20922
Section 11, T18S-R25E
Eddy County, New Mexico



Dear Mr. Bratcher:

Yates Petroleum Corporation is submitting the enclosed work plan for the above captioned well. The plan is being submitted in response to the C-141 report dated July 7, 2010 and our meeting on December 2, 2010.

Yates will have a contractor begin work on or after the week of December 6, 2010.

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

Thank you.

YATES PETROLEUM CORPROATION

Robert Asher
Environmental Regulatory Agent

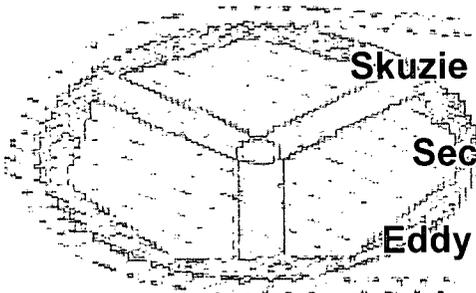
Enclosure(s)

RECEIVED

DEC 03 2010

NMOCD ARTESIA

Yates Petroleum Corporation



Skuzie XL Com. #1 Work Plan

Section 11, T18S-R25E

Eddy County, New Mexico

December 3, 2010

I. Location

The well is located approximately 10 miles southwest of Artesia, NM and 1.0 miles north of Four Dinkus Road (CR 39), as represented by the attached 'Artesia; NM', USGS Quadrangle Map.

II. Background

On July 7, 2010, Yates submitted to the NMOCD District II office a Form C-141 for a release of 56 B/O with no oil recovered. The total affected area is approximately 152 feet by 12 feet area. Initial delineation samples were taken (7/21/2010) and sent to an NMOCD approved laboratory (results enclosed).

III. Surface and Ground Water

Area surface geology is Cenozoic. The nearest groundwater of record is listed on the New Mexico Office of the State Engineer (Section 10, T18S-R24E) shows depth to groundwater approximately 168 feet making the site ranking for this site a zero (0). Watercourses in the area are dry except for infrequent flows in response to major precipitation events.

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

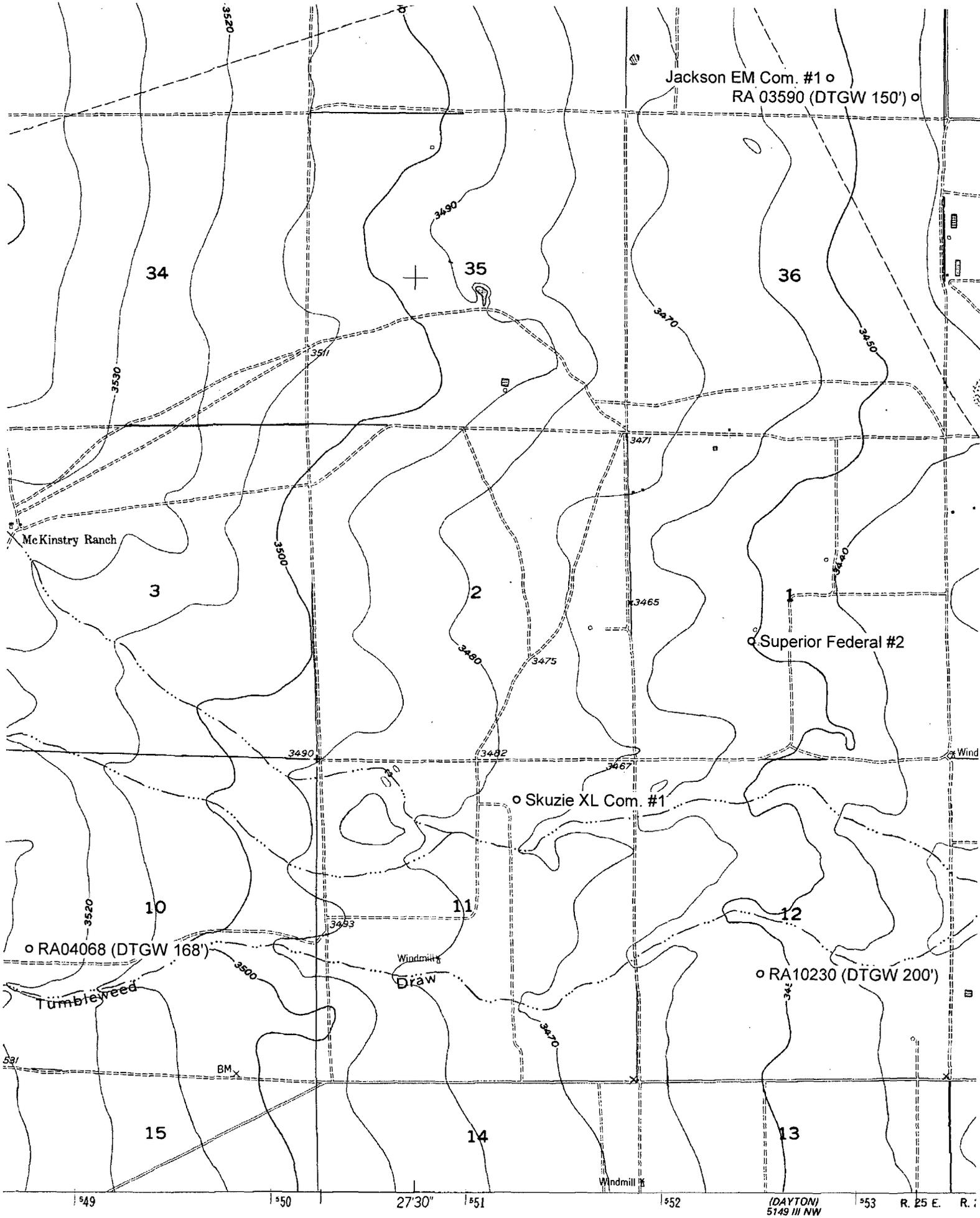
Depth to ground water	> 100'
Wellhead Protection Area	> 1000'
Distance to surface water body	> 1000'

IV. Soils

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

V. Scope of Work

Based on analytical results, Yates Petroleum Corporation will have a contractor excavate twenty (20) feet of impacted soils (total excavation will be 12' X 12' X 20' deep), impacted soils will be taken to an NMOCD approved facility for disposal. Based on our 12/2/2010 meeting, the NMOCD will not require further sampling. When excavation work is completed, Yates Petroleum Corporation will submit a C-141, Final Report, analytical results and a site sample diagram and request closure of the site. Upon NMOCD I approval the excavation will be backfilled with clean, like materials.



Jackson EM Com. #1 ◦
RA 03590 (DTGW 150') ◦

34

35

36

McKinstry Ranch

3

2

1

◦ Superior Federal #2

◦ Skuzie XL Com. #1

◦ RA04068 (DTGW 168')

◦ RA10230 (DTGW 200')

Windmill Draw

15

14

13

549

550

27'30"

551

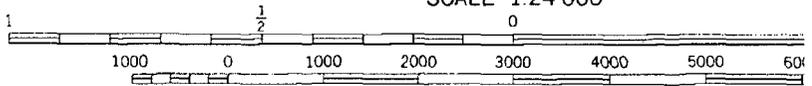
552

DAYTON
5149 III NW

553

R. 25 E. R. 7

SCALE 1:24 000



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

Sample ID	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Tank Bottom	7/21/2010	Composite/Backhoe	3'	112.04	943	1350	2293	39.4
Tank Bottom	7/21/2010	Composite/Backhoe	6'	367.2	5680	7980	13660	97.8
Tank Bottom	7/21/2010	Composite/Backhoe	9'	383.5	3400	4760	8160	77.4
North/East Side	7/21/2010	Composite/Backhoe	3'	50.28	456	1020	1476	46
North/East Side	7/21/2010	Composite/Backhoe	6'	0.0028	ND	ND	ND	ND
North/East Side	7/21/2010	Composite/Backhoe	9'	ND	ND	ND	ND	ND
West/South Side	7/21/2010	Composite/Backhoe	3'	ND	ND	ND	0	5.57
West/South Side	7/21/2010	Composite/Backhoe	6'	ND	ND	ND	0	ND
West/South Side	7/21/2010	Composite/Backhoe	9'	ND	ND	ND	ND	ND
Sample ID	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Tank Bottom	9/14/2010	Composite/Backhoe	10'	114.67	2120	1230	3350	
Tank Bottom	9/14/2010	Composite/Backhoe	12'	368.7	8950	4710	13660	
Tank Bottom	9/14/2010	Composite/Backhoe	14'	299.0	6910	3910	10820	
Tank Bottom	9/14/2010	Composite/Backhoe	16'	201.30	5650	3150	8800	
Tank Bottom	9/14/2010	Composite/Backhoe	18'	193.6	5170	3410	8580	
Tank Bottom	9/14/2010	Composite/Backhoe	20'	147.4	4150	2650	6800	
Sample ID	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Tank Bottom	10/20/2010	Drilled	25-26'	64.70	1010	471	1481	
Tank Bottom	10/20/2010	Drilled	30-31'	68.4	530	202	732	
Tank Bottom	10/20/2010	Drilled	34-35'	69.1	1350	516	1866	
Tank Bottom	10/20/2010	Drilled	39-40'	17.90	562	313	875	
Tank Bottom	10/20/2010	Drilled	44-45'	9.3	278	194	472	
Tank Bottom	10/20/2010	Drilled	48-50'	52.2	323	172	495	

Site Ranking is Zero (0). Depth to Ground Water >100' (approx. 168', per New Mexico State Engineer Office).

All results are ppm.