

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986

S.P. YATES
1914-2008



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

JOHN A. YATES
CHAIRMAN OF THE BOARD

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EXECUTIVE V.P. OF MONETIZATION
CHIEF FINANCIAL OFFICER

JAMES S. BROWN
CHIEF OPERATING OFFICER

July 8, 2014

Mr. Mike Bratcher
NMOCD District II
811 S. First St.
Artesia, NM 88210

Re: Mimosa Federal SWD #4
30-015-26950
Section 4, T20S-R24E
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 May 6, 2014.

If there are no objections with the scope of work described in the plan, Yates will have a contractor begin work on or after the week of July 22, 2014.

If you have any questions, feel free to call me at (575) 748-4171

Thank you.

YATES PETROLEUM CORPORATION

Chase Settle
Environmental Regulatory Agent

Enclosure(s)

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

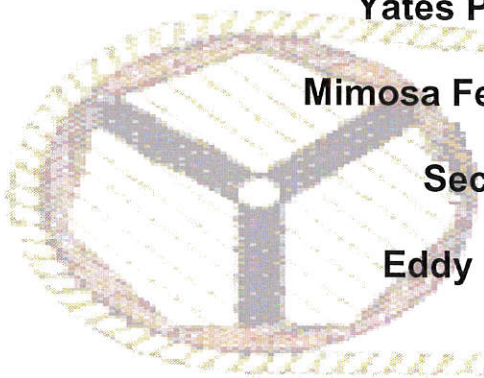
Yates Petroleum Corporation

Mimosa Federal SWD #4 Work Plan

Section 4, T20S-R24E

Eddy County, New Mexico

July 8, 2014



I. Location

The release is located approximately 15 miles south of Artesia and 11 miles west on Rock Daisy Road.

II. Background

On May 06, 2014, Yates submitted to the NMOCD District II office a Form C-141 for the release of 35 B/PW with 15 B/PW recovered. The total affected area is approximately 169 feet by 64 feet area running from between the produced water storage tanks to a pooling point at the northeast corner of the bermed battery. The release was from a broken water leg on a produced water storage tank causing produced water to impact the soil between the storage tanks as it flowed to a pooling point in the northeast corner of the battery. Initial delineation samples were taken (06/19/2014) and sent to a NMOCD approved laboratory (07/02/2014, results enclosed).

III. Surface and Ground Water

Area surface geology is Cenozoic Quaternary. The ChevronTexaco Trend Map displays at this location (Section 4, T20S-R24E) that depth to groundwater is approximately 360' 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 ten (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 loamy top soil and are interspersed with clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface.

V. Scope of Work

Based on enclosed analytical results, the depth to groundwater (360'), and a decrease in chlorides, Yates Petroleum Corporation will excavate two (2) feet of impacted soil within the pooling area in the northeast corner of the bermed battery. Initial excavation of impacted soil removed stained and saturated soils between the produced water storage tanks, any further excavation in this area is not practicable due to the numerous electric lines and transfer pipelines within this area. All excavated soil will be hauled to a NMOCD approved facility. The excavated area will be backfilled with two (2) feet of caliche. The TPH & BTEX are within the RRAL's for BTEX (50 ppm) and TPH (5000 ppm) for the Total Ranking Score of zero (0), no further analytical testing of TPH and/or BTEX will be conducted (all chloride analytical results are for documentation). When remediation work is completed a C-141, Final Report, analytical results and a site sample diagram will be submitted to the NMOCD and request closure of the site.



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

July 02, 2014

CHASE SETTLE

YATES PETROLEUM CORPORATION

105 S 4th Street

Artesia, NM 88210

RE: MIMOSA FEDERAL SWD #4

Enclosed are the results of analyses for samples received by the laboratory on 06/25/14 16:14.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

YATES PETROLEUM CORPORATION
CHASE SETTLE
105 S 4th Street
Artesia NM, 88210
Fax To: (505) 748-4635

Received:	06/25/2014	Sampling Date:	06/19/2014
Reported:	07/02/2014	Sampling Type:	Soil
Project Name:	MIMOSA FEDERAL SWD #4	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	NOT GIVEN		

Sample ID: S1-1' (H401923-01)

BTEX 8021B		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	06/30/2014	ND	1.70	84.8	2.00	8.67	
Toluene*	<0.050	0.050	06/30/2014	ND	1.77	88.5	2.00	8.91	
Ethylbenzene*	<0.050	0.050	06/30/2014	ND	1.56	78.2	2.00	8.01	
Total Xylenes*	<0.150	0.150	06/30/2014	ND	4.86	80.9	6.00	7.21	
Total BTEX	<0.300	0.300	06/30/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIE) 98.5 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	3880	16.0	06/30/2014	ND	416	104	400	0.00	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	06/27/2014	ND	186	92.9	200	0.812	
DRO >C10-C28	12.4	10.0	06/27/2014	ND	203	102	200	3.12	

Surrogate: 1-Chlorooctane 72.4 % 65.2-140

Surrogate: 1-Chlorooctadecane 94.0 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

YATES PETROLEUM CORPORATION
CHASE SETTLE
105 S 4th Street
Artesia NM, 88210
Fax To: (505) 748-4635

Received:	06/25/2014	Sampling Date:	06/19/2014
Reported:	07/02/2014	Sampling Type:	Soil
Project Name:	MIMOSA FEDERAL SWD #4	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	NOT GIVEN		

Sample ID: S1-2' (H401923-02)

BTEx 8021B		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	06/28/2014	ND	1.70	84.8	2.00	8.67	
Toluene*	<0.050	0.050	06/28/2014	ND	1.77	88.5	2.00	8.91	
Ethylbenzene*	<0.050	0.050	06/28/2014	ND	1.56	78.2	2.00	8.01	
Total Xylenes*	<0.150	0.150	06/28/2014	ND	4.86	80.9	6.00	7.21	
Total BTEX	<0.300	0.300	06/28/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIE) 98.6 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	3240	16.0	06/30/2014	ND	416	104	400	0.00	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	06/27/2014	ND	186	92.9	200	0.812	
DRO >C10-C28	<10.0	10.0	06/27/2014	ND	203	102	200	3.12	

Surrogate: 1-Chlorooctane 73.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 95.5 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

YATES PETROLEUM CORPORATION
CHASE SETTLE
105 S 4th Street
Artesia NM, 88210
Fax To: (505) 748-4635

Received:	06/25/2014	Sampling Date:	06/19/2014
Reported:	07/02/2014	Sampling Type:	Soil
Project Name:	MIMOSA FEDERAL SWD #4	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	NOT GIVEN		

Sample ID: S1-3' (H401923-03)

BTEx 8021B		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	06/30/2014	ND	1.74	86.9	2.00	9.88	
Toluene*	<0.050	0.050	06/30/2014	ND	1.81	90.5	2.00	11.3	
Ethylbenzene*	<0.050	0.050	06/30/2014	ND	1.59	79.4	2.00	11.2	
Total Xylenes*	<0.150	0.150	06/30/2014	ND	4.90	81.6	6.00	12.6	
Total BTEx	<0.300	0.300	06/30/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIL) 98.9 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	416	16.0	06/30/2014	ND	416	104	400	0.00		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	06/27/2014	ND	186	92.9	200	0.812		
DRO >C10-C28	<10.0	10.0	06/27/2014	ND	203	102	200	3.12		

Surrogate: 1-Chlorooctane 76.6 % 65.2-140

Surrogate: 1-Chlorooctadecane 96.7 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

YATES PETROLEUM CORPORATION
CHASE SETTLE
105 S 4th Street
Artesia NM, 88210
Fax To: (505) 748-4635

Received:	06/25/2014	Sampling Date:	06/19/2014
Reported:	07/02/2014	Sampling Type:	Soil
Project Name:	MIMOSA FEDERAL SWD #4	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	NOT GIVEN		

Sample ID: S1-4' (H401923-04)

BTEX 8021B		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	06/30/2014	ND	1.74	86.9	2.00	9.88	
Toluene*	<0.050	0.050	06/30/2014	ND	1.81	90.5	2.00	11.3	
Ethylbenzene*	<0.050	0.050	06/30/2014	ND	1.59	79.4	2.00	11.2	
Total Xylenes*	<0.150	0.150	06/30/2014	ND	4.90	81.6	6.00	12.6	
Total BTEX	<0.300	0.300	06/30/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIE) 98.1 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	752	16.0	06/30/2014	ND	416	104	400	0.00	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	06/27/2014	ND	186	92.9	200	0.812	
DRO >C10-C28	<10.0	10.0	06/27/2014	ND	203	102	200	3.12	

Surrogate: 1-Chlorooctane 77.8 % 65.2-140

Surrogate: 1-Chlorooctadecane 98.5 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

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Celey D. Keene, Lab Director/Quality Manager



ARDINAL LABORATORIES
101 East Marland, Hobbs, NM 88240

(505) 393-2326 FAX (505) 393-2476

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

Project Manager: Chase Settle

Company Address: 105 South 4th Street

City/State/Zip: Artesia, NM 88210

Telephone No: 575-748-4171

Sampler Signature:

e-mail: csettle@yatespetroleum.com

Fax No: 575-748-4131

Report Format: ☒ Standard ☐ TRRP ☐ NPDES

PO #: 205750

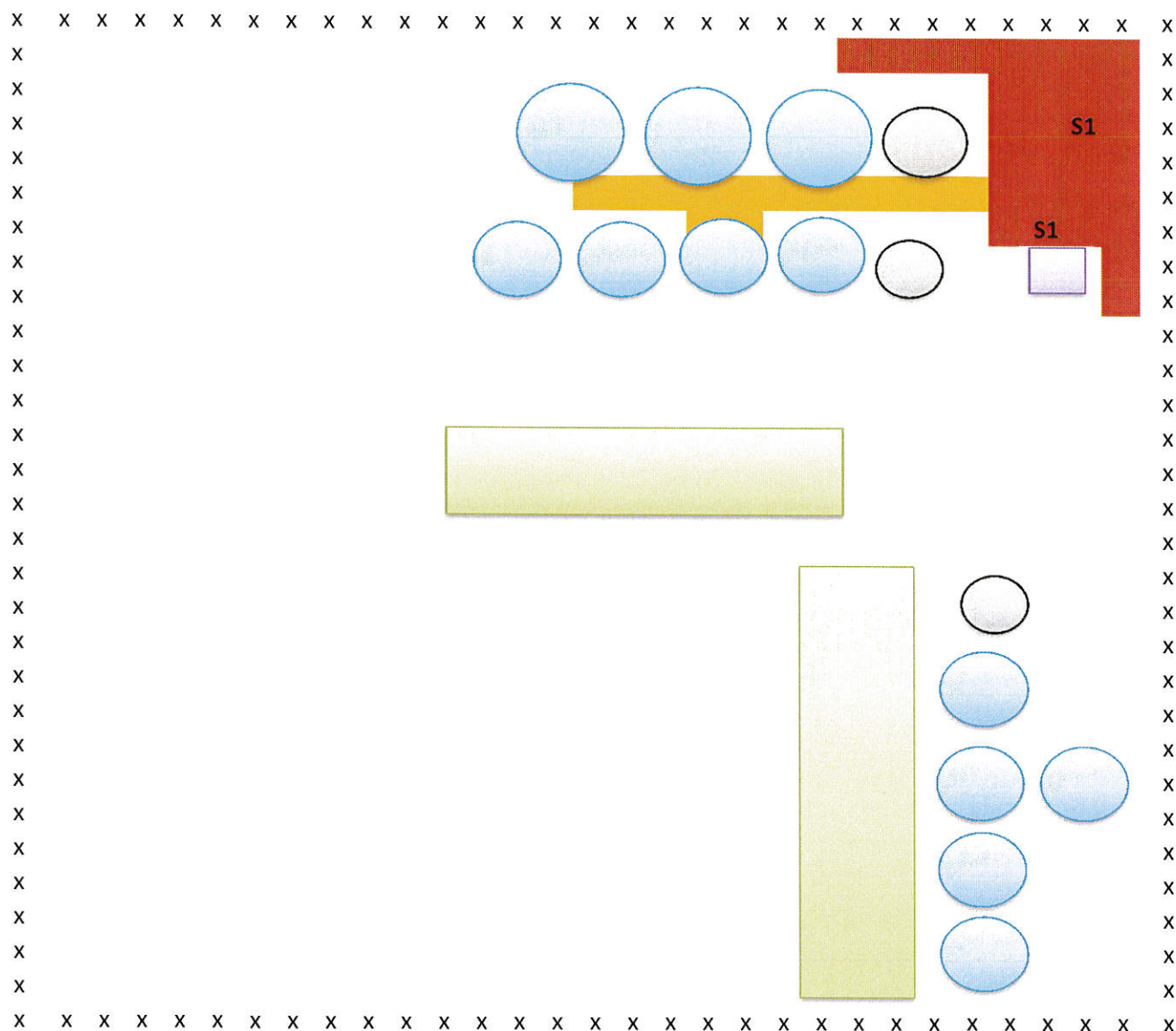
Project Name: Mimosa Federal SWD #4

Project #:

Project Loc: Mimosa Federal SWD #4

LAB # (lab use only)		Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total #. of Containers	Preservation & # of Containers							Matrix	Analyze For:																
								Ice	HNO ₃	HCl	H ₂ SO ₄	NaOH	Na ₂ S ₂ O ₃	None	Other (Specify)	DW=Drinking Water SL=Sludge GW = Groundwater S=Soil/Solid NP=Non-Potable Specify Other	TPH: 418.1 8015M 8015B	TPH: TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO ₄ , 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	SAR	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT	
1	S1-1'			6/19/2014	11:00 AM		1	X								S	X															X
2	S1-2'			6/19/2014	11:00 AM		1	X								S	X															X
3	S1-3'			6/19/2014	11:00 AM		1	X								S	X															X
4	S1-4'			6/19/2014	11:00 AM		1	X								S	X															X
Special Instructions:																																
Relinquished by: Date: 6-25-14 Time: 11:38 AM Received by: Date: 6/25 Time: 11:44																																
Relinquished by: Date: 6/25 Time: 4:14 Received by: Date: 6/25 Time: 4:14																																
Relinquished by: Date: 6/25 Time: 4:14 Received by: Date: 6/25 Time: 4:14																																
Laboratory Comments: Sample Containers Intact? VOCs Free of Headspaces? Labels on container(s) Custody seals on container(s) Sample Hand Delivered by Sampler/Client Rep. ? by Courier? UPS DHL FedEx Lone Star Temperature Upon Receipt: 60.0 °C																																

Mimosa #4 SWD



- Release Area (Pooling) S1 Sample Point
- Release Area (Tank Area)

H401923	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	Chlorides
S1-1'	Release Area	6/19/2014	Backhoe	1'	<0.3	<10.0	12.4	3880
S1-2'	Release Area	6/19/2014	Backhoe	2'	<0.3	<10.0	<10.0	3240
S1-3'	Release Area	6/19/2014	Backhoe	3'	<0.3	<10.0	<10.0	416
S1-4'	Release Area	6/19/2014	Backhoe	4'	<0.3	<10.0	<10.0	752

Site Ranking is Zero (0). >100' (360', Section 4, T20S-R24E, Trend Map
 All results are ppm. Chlorides for documentation
 Released: 35 B/PW; Recovered: 15 B/PW Release Date: 04/28/2014