



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Guadalupe Operating, LLP
1407 Cuthbert Ave.
Midland TX 79701
Attn: John Breedlove

May 13, 2005

Reference: Yates Federal 018 I-6-20s-27e 30-015-21241
 Yates Federal 009 O 6-20s-21e 30-015-01027

Dear Mr. Breedlove,

An inspection was made on the above referenced wells on 5/12/2005 after receipt of a letter from you indicating the remediation and repairs requested by the NMOCD, had been completed on these well sites. On the Yates Federal 018, fresh soils had been placed over the contaminated soils and leaks on the fresh soils had already occurred. Contaminated materials at this well site are to be removed and hauled to an OCD approved disposal, or a proposal made for remediation of contaminated materials. Equipment utilized at this well site are to be repaired and operated so as to prevent future releases.

On the Yates Federal 009, contaminated soils at well head were covered. There are some areas of contamination just outside the fence at the tank battery and leaks on some of the storage tanks. Please submit a workplan for proper repair and remediation of these sites.

If I can be of assistance, my contact information is listed below.

Thank You,

Mike Bratcher

Mike Bratcher

NMOCD District 2

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