YATES PETROLEUM CORPORATION

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

June 16, 2011

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

Re Dagger Draw Water System
2RP-576
30-015-28898
Section 11, T19S-R25E
Eddy County, New Mexico

Dear Mr. Bratcher,

Enclosed please find a Form C-141, Final Report for the above captioned site regarding the release on January 5, 2011 (800 bbls of oil/produced water mix with 300 bbls of oil/produced water mix being recovered) The release was from a break in a polyline reducer Vertical and horizontal samples were taken on 1/25/2011 and sent to an NMOCD approved laboratory for analysis The release area was excavated six (6) inches below the surface, impacted soils were taken to an NMOCD approved facility Vertical and horizontal samples were taken on 5/4/2011 and sent to an NMOCD approved laboratory for analysis Analytical results show TPH & BTEX (chlorides for documentation) below RRAL's for the site ranking of (10) ten, (enclosed sample diagram and results) Per the recommendations of the NMOCD the release/excavation area was ripped, disked and aerated Based on impacted soils being excavated, analytical results and remediation work, Yates Petroleum Corporation requests closure Upon NMOCD approval the area will be reseeded to reestablish vegetation

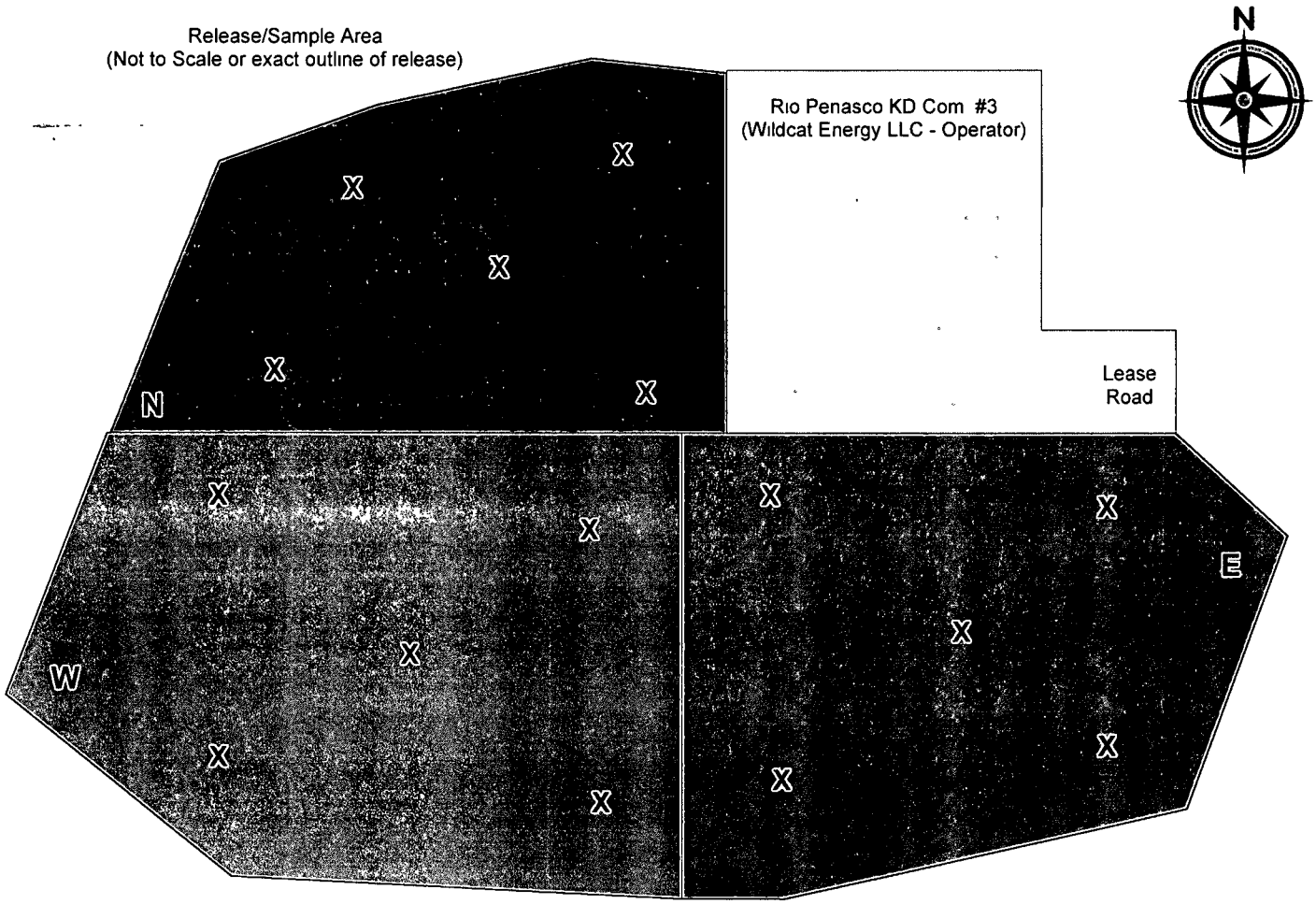
If you have any questions, please call me at 575-748-4217

Thank you

YATES PETROLEUM CORPORATION

Robert Asher
Senior Environmental Regulatory Agent

/rca
Enclosure(s)



Analytical Report- 415676 & 415700	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Comp-00.5 N	Release Area	5/4/2011	Comp/Auger	6" (12" BSL)	0 00156	ND	52 1	52 1	247
Comp-01.0 N	Release Area	5/4/2011	Comp/Auger	12" (18" BSL)	0 156	ND	76.9	76 9	317
Comp-00.5 W	Release Area	5/4/2011	Comp/Auger	6" (12" BSL)	ND	ND	ND	ND	429
Comp-01.0 W	Release Area	5/4/2011	Comp/Auger	12" (18" BSL)	ND	18 9	ND	ND	391
Comp-00.5 E	Release Area	5/4/2011	Comp/Auger	6" (12" BSL)	ND	ND	ND	ND	304
Comp-01.0 E	Release Area	5/4/2011	Comp/Auger	12" (18" BSL)	ND	ND	ND	ND	284

Site Ranking is Ten (10). Depth to Ground Water 50-99' (approx. 70', per Trend Map).

All results are ppm. **X - Sample Points**

Released: 800 B/O & PW Mix; Recovered: 300 B/O & PW Mix. Release Date: 1/5/2011

YATES PETROLEUM CORPORATION

Dagger Draw Water System

30-015-28898

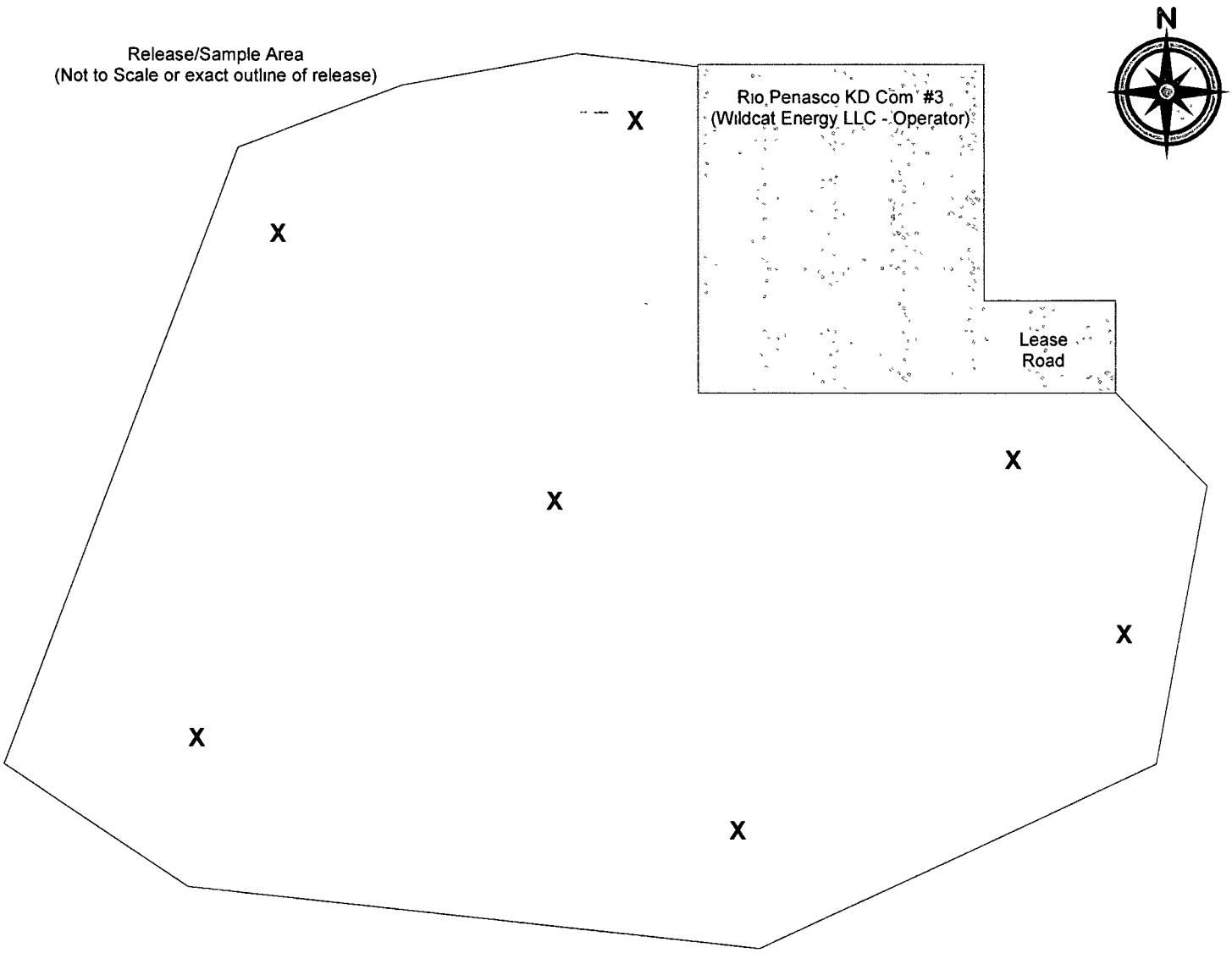
Section 11, T19S-R25E

Eddy County, NM

SAMPLE DIAGRAM (Not to Scale)

Xenco Report #: 415676 & 415700
Report Date: 5/9/2011

Prepared by Robert Asher
Environmental Regulatory Agent



Analytical Report 405103 & 405104	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Comp-00 5	Release Area	1/25/2011	Comp/Auger	6"	1.301	18 9	721	739 9	361
Comp-01 0	Release Area	1/25/2011	Comp/Auger	12"	0.008	ND	76	76	386
Comp-01 5	Release Area	1/25/2011	Comp/Auger	18"	0 378	ND	324	324	376

Site Ranking is Ten (10). Depth to Ground Water 50-99' (approx. 70', per Trend Map).

All results are ppm. **X - Sample Points**

Released: 800 B/O & PW Mix; Recovered: 300 B/O & PW Mix. Release Date: 1/5/2011

YATES PETROLEUM CORPORATION

Dagger Draw Water System

30-015-28898

Section 11, T19S-R25E

Eddy County, NM

SAMPLE DIAGRAM (Not to Scale)

Xenco Report #: 405103 & 405104
Report Date: 2/3/2011
Prepared by Robert Asher
Environmental Regulatory Agent

Analytical Report 415700

for

Yates Petroleum Corporation

Project Manager: Robert Asher

Dagger Draw Water System

30-015-26299 (Arrow ARW Federal Com. # 1)

09-MAY-11

Celebrating 20 Years of commitment to excellence in Environmental Testing Services

12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):
Texas (T104704215-10-6-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):
Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)
Xenco-Tampa Mobile (EPA Lab code: FL01212). Florida (E84900)
Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-TX)
Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-TX)
Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370)
Xenco-Boca Raton (EPA Lab Code: FL01273).
Florida(E86240),South Carolina(96031001), Louisiana(04154), Georgia(917)
North Carolina(444), Texas(T104704468-TX), Illinois(002295), Florida(E86349)

Xenco Phoenix (EPA Lab Code: AZ00901):
Arizona(AZ0757), Texas(104704435-10-2), Nevada(NAC-445A), DoD(65816)
Xenco-Phoenix Mobile (EPA Lab code. AZ00901) Arizona (AZM757)
Xenco Tucson (EPA Lab code AZ000989): Arizona (AZ0758)

09-MAY-11

Project Manager: **Robert Asher**
Yates Petroleum Corporation
105 South Fourth St.
Artesia, NM 88210

Reference: XENCO Report No: **415700**
Dagger Draw Water System
Project Address: Eddy County

Robert Asher:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 415700. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

Unless otherwise noted in a Case Narrative, all data reported in this Analytical Report are in compliance with NELAC standards. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. Should insufficient sample be provided to the laboratory to meet the method and NELAC Matrix Duplicate and Matrix Spike requirements, then the data will be analyzed, evaluated and reported using all other available quality control measures.

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No 415700 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

We thank you for selecting XENCO Laboratories to serve your analytical needs. If you have any questions concerning this report, please feel free to contact us at any time.

Respectfully,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 415700

Yates Petroleum Corporation, Artesia, NM

Dagger Draw Water System

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
Comp-00.5 N	S	May-04-11 10:25	6 - 6 In	415700-001
Comp-01 0 N	S	May-04-11 10:43	12 - 12 In	415700-002
Comp-00.5 W	S	May-04-11 10:58	6 - 6 In	415700-003
Comp-01.0 W	S	May-04-11 11:15	12 - 12 In	415700-004
Comp-00 5 E	S	May-04-11 11:32	6 - 6 In	415700-005
Comp-01.0 E	S	May-04-11 11:48	12 - 12 In	415700-006

CASE NARRATIVE

Client Name: Yates Petroleum Corporation
Project Name: Dagger Draw Water System

Project ID:	*30-015-26299 (Arrow ARI*	*Report Date:*	*09-MAY-11*
Work Order Number:	*415700*	*Date Received.*	*05/06/2011*

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-855115 TPH By SW8015B Mod
SW8015B_NM

Batch 855115, o-Terphenyl recovered above QC limits . Matrix interferences is suspected; data confirmed by re-analysis
Samples affected are: 415700-002,415700-003,415700-006,415700-005,415700-004.

Batch: LBA-855141 BTEX by EPA 8021B
SW8021BM

Batch 855141, Benzene, Toluene recovered below QC limits in the Matrix Spike. Ethylbenzene, m_p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.
Samples affected are: 415700-003, -006, -005, -001, -004, -002.
The Laboratory Control Sample for Toluene, Benzene, Ethylbenzene, m_p-Xylenes , o-Xylene is within laboratory Control Limits

Flagging Criteria

X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to affect the recovery of the spike concentration. This condition could also affect the relative percent difference in the MS/MSD

B A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.

D The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.

E The data exceeds the upper calibration limit, therefore, the concentration is reported as estimated.

F RPD exceeded lab control limits.

J The target analyte was positively identified below the MQL and above the SQL

U Analyte was not detected

L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data The samples were either reanalyzed or flagged as estimated concentrations

H The LCS data for this analytical batch was reported above the laboratory control limits Supporting QC Data were reviewed by the Department Supervisor and QA Director Data were determined to be valid for reporting

K Sample analyzed outside of recommended hold time.

JN A combination of the "N" and the "J" qualifier The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample

BRL Below Reporting Limit

RL Reporting Limit

MDL Method Detection Limit

PQL Practical Quantitation Limit

LOD Limit of Detection

LOQ Limit of Quantitation

DL Method Detection Limit

*** Outside XENCO's scope of NELAC Accreditation.**

Certificate of Analysis Summary 415700

Yates Petroleum Corporation, Artesia, NM

Project Name: Dagger Draw Water System

Project Id: 30-015-26299 (Arrow ARW Federal Com
Contact: Robert Asher
Project Location: Eddy County

Date Received in Lab: Fri May-06-11 11 00 am
Report Date: 09-MAY-11
Project Manager: Brent Barron, II

Analysis Requested													
	Lab Id:	415700-001		415700-002		415700-003		415700-004		415700-005		415700-006	
	Field Id:	Comp-00 5 N		Comp-01 0 N		Comp-00 5 W		Comp-01 0 W		Comp-00 5 E		Comp-01 0 E	
	Depth:	6-6 In		12-12 In		6-6 In		12-12 In		6-6 In		12-12 In	
	Matrix:	SOIL		SOIL		SOIL		SOIL		SOIL		SOIL	
	Sampled:	May-04-11 10 25		May-04-11 10 43		May-04-11 10 58		May-04-11 11 15		May-04-11 11 32		May-04-11 11 48	
BTEX by EPA 8021B	*Extracted:*	May-06-11 13 30		May-06-11 13 30		May-06-11 13 30		May-06-11 13 30		May-06-11 13 30		May-06-11 13 30	
	Analyzed	May-07-11 07 58		May-07-11 08 21		May-07-11 06 28		May-07-11 06 50		May-07-11 07 13		May-07-11 07 36	
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL
Benzene		ND	0 0012	ND	0 0238	ND	0 0012	ND	0 0012	ND	0 0012	ND	0 0012
Toluene		ND	0 0023	ND	0 0475	ND	0 0024	ND	0 0024	ND	0 0024	ND	0 0024
Ethylbenzene		ND	0 0012	0 0254	0 0238	ND	0 0012	ND	0 0012	ND	0 0012	ND	0 0012
m_p-Xylenes		ND	0 0023	0 0603	0 0475	ND	0 0024	ND	0 0024	ND	0 0024	ND	0 0024
o-Xylene		0 00156	0 0012	0 0706	0 0238	ND	0 0012	ND	0 0012	ND	0 0012	ND	0 0012
Total Xylenes		0 00156	0 0012	0 131	0 0238	ND	0 0012	ND	0 0012	ND	0 0012	ND	0 0012
Total BTEX		0 00156	0 0012	0 156	0 0238	ND	0 0012	ND	0 0012	ND	0 0012	ND	0 0012
Percent Moisture	*Extracted:*												
	Analyzed:	May-06-11 17 00		May-06-11 17 00		May-06-11 17 00		May-06-11 17 00		May-06-11 17 00		May-06-11 17 00	
	Units/RL:	%	RL	%	RL	%	RL	%	RL	%	RL	%	RL
Percent Moisture		14 8	1 00	15 3	1 00	15 6	1 00	16 8	1 00	15 8	1 00	16 5	1 00
TPH By SW8015B Mod	*Extracted:*	May-06-11 14 00		May-06-11 14 00		May-06-11 14 00		May-06-11 14 00		May-06-11 14 00		May-06-11 14 00	
	Analyzed:	May-07-11 09 02		May-07-11 09 31		May-07-11 10 00		May-07-11 10 29		May-07-11 10 59		May-07-11 11 30	
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL
C6-C10 Gasoline Range Hydrocarbons		ND	17 5	ND	17 7	ND	17 8	ND	18 0	ND	17 8	ND	17 9
C10-C28 Diesel Range Hydrocarbons		52 1	17 5	76 9	17 7	ND	17 8	ND	18 0	ND	17 8	ND	17 9
Total TPH		52 1	17 5	76 9	17 7	ND	17 8	ND	18 0	ND	17 8	ND	17 9

Brent Barron, II
Odessa Laboratory Manager

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax: 432-563-1713

Project Manager. Robert Asher

Company Name Yates Petroleum Corporation

Company Address: 105 South 4th Street

City/State/Zip. Artesia, NM 88210

Telephone No: 575-748-4217 Fax No: 575-748-4662

Sampler Signature

e-mail: boba@yatespetroleum.com

Project Name: Dagger Draw Water System

30 015-26299

Project #: (Arrow ARW Federal Com #1)

Project Loc: Eddy County

PO #: 105632

Report Format: [X] Standard [ ] TRRP [ ] NPDES

(lab use only)

ORDER #: 415700AE / 415704

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO3	HCl	H2SO4	NaOH	Na2S2O3	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge GW = Groundwater S=Soil/Solid NP=Non-Potable Specify Other	Analyze For: TPH 418.1 8015M 8015B	TPH TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, 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			RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	Comp-00.5 N	6"	6"	5/4/2011	10:25 AM			X								S	X								X			X				X
02	Comp-01.0 N	12"	12"	5/4/2011	10:43 AM			X								S	X								X			X				X
03	Comp-00.5 W	6"	6"	5/4/2011	10:58 AM			X								S	X								X			X				X
04	Comp-01.0 W	12"	12"	5/4/2011	11:15 AM			X								S	X								X			X				X
05	Comp-00.5 E	6"	6"	5/4/2011	11:32 AM			X								S	X								X			X				X
06	Comp-01.0 E	12"	12"	5/4/2011	11:48 AM			X								S	X								X			X				X
	PLEASE PUT CHLORIDES																														
	ON SEPARATE REPORT																														

Special Instructions: **TPH 8015M, BTEX 8021B & Chlorides.** ALL results in mg/kg. Thank you.

Relinquished by	Date	Time	Received by	Date	Time
Robert Asher	05/05/11	1 49 PM			
Relinquished by	Date	Time	Received by	Date	Time
Relinquished by	Date	Time	Received by ELOT: Lisa Murdock	Date: 5-6-11	Time: 11.00

Laboratory Comments:

Sample Containers Intact? (Y) N

VOCs Free of Headspace? Y (NA)

Labels on container(s) (Y) N

Custody seals on container(s) (Y) N

Custody seals on cooler(s) (Y) N

Sample Hand Delivered (Y) N

by Sampler/Client Rep ? Y (N)

by Courier? UPS DHL (FedEx) Lone Star

Temperature Upon Receipt 3.5 °C

Final 1.001

XENCO Laboratories	Document Title Sample Receipt Checklist
Atlanta, Boca Raton, Corpus Christi, Dallas	Document No . SYS-SRC
Houston, Miami, Odessa, Philadelphia	Revision/Date No 01, 5/27/2010
Phoenix, San Antonio, Tampa	Effective Date 6/1/2010 Page 1 of 1

Prelogin / Nonconformance Report - Sample Log-In

Client: Yates

Date/Time: 5-6-11 11:00

Lab ID # : 415700/415704

Initials: LM

Sample Receipt Checklist

1. Samples on ice?	Blue	(Water)	No	
2. Shipping container in good condition?	(Yes)	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	(Yes)	No	N/A	
4. Chain of Custody present?	(Yes)	No		
5. Sample instructions complete on chain of custody?	(Yes)	No		
6. Any missing / extra samples?	Yes	(No)		
7. Chain of custody signed when relinquished / received?	(Yes)	No		
8. Chain of custody agrees with sample label(s)?	(Yes)	No		
9. Container labels legible and intact?	(Yes)	No		
10. Sample matrix / properties agree with chain of custody?	(Yes)	No		
11. Samples in proper container / bottle?	(Yes)	No		
12. Samples properly preserved?	(Yes)	No	N/A	
13. Sample container intact?	(Yes)	No		
14. Sufficient sample amount for indicated test(s)?	(Yes)	No		
15. All samples received within sufficient hold time?	(Yes)	No		
16. Subcontract of sample(s)?	Yes	(No)	N/A	
17. VOC sample have zero head space?	Yes	No	(N/A)	

18. Cooler 1 No.		Cooler 2 No.		Cooler 3 No.		Cooler 4 No.		Cooler 5 No.	
lbs	35 °C	lbs	°C	lbs	°C	lbs	°C	lbs	°C

Nonconformance Documentation

Contact:_____ Contacted by:_____ Date/Time:_____

Regarding: _____

_____

Corrective Action Taken: _____

_____

_____

_____

Check all that apply: ☐ Cooling process has begun shortly after sampling event and out of temperature condition acceptable by NELAC 5.5.8.3.1.a.1.

☐ Initial and Backup Temperature confirm out of temperature conditions

☐ Client understands and would like to proceed with analysis

Analytical Report 415704

for

Yates Petroleum Corporation

Project Manager: Robert Asher

Dagger Draw Water System

30-015-26299 (Arrow ARW Federal Com. # 1)

09-MAY-11

Celebrating 20 Years of commitment to excellence in Environmental Testing Services

12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code TX00122):
Texas (T104704215-10-6-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
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Xenco-Odessa (EPA Lab code. TX00158): Texas (T104704400-TX)
Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-TX)
Xenco-Corpus Christi (EPA Lab code. TX02613). Texas (T104704370)
Xenco-Boca Raton (EPA Lab Code: FL01273):
Florida(E86240),South Carolina(96031001), Louisiana(04154), Georgia(917)
North Carolina(444), Texas(T104704468-TX), Illinois(002295), Florida(E86349)

Xenco Phoenix (EPA Lab Code: AZ00901):
Arizona(AZ0757), Texas(104704435-10-2), Nevada(NAC-445A), DoD(65816)
Xenco-Phoenix Mobile (EPA Lab code: AZ00901)· Arizona (AZM757)
Xenco Tucson (EPA Lab code:AZ000989): Arizona (AZ0758)

09-MAY-11

Project Manager: **Robert Asher**
Yates Petroleum Corporation
105 South Fourth St.
Artesia, NM 88210

Reference: XENCO Report No: **415704**
Dagger Draw Water System
Project Address: Eddy County

Robert Asher:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 415704. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

Unless otherwise noted in a Case Narrative, all data reported in this Analytical Report are in compliance with NELAC standards. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. Should insufficient sample be provided to the laboratory to meet the method and NELAC Matrix Duplicate and Matrix Spike requirements, then the data will be analyzed, evaluated and reported using all other available quality control measures.

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We thank you for selecting XENCO Laboratories to serve your analytical needs. If you have any questions concerning this report, please feel free to contact us at any time.

Respectfully,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 415704

Yates Petroleum Corporation, Artesia, NM

Dagger Draw Water System

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
Comp-00.5 N	S	May-04-11 10:25	6 - 6 In	415704-001
Comp-01.0 N	S	May-04-11 10:43	12 - 12 In	415704-002
Comp-00.5 W	S	May-04-11 10.58	6 - 6 In	415704-003
Comp-01.0 W	S	May-04-11 11:15	12 - 12 In	415704-004
Comp-00.5 E	S	May-04-11 11:32	6 - 6 In	415704-005
Comp-01.0 E	S	May-04-11 11:48	12 - 12 In	415704-006

CASE NARRATIVE

Client Name: Yates Petroleum Corporation
Project Name: Dagger Draw Water System

Project ID:	*30-015-26299 (Arrow ARI*	*Report Date:*	*09-MAY-11*
Work Order Number:	*415704*	*Date Received:*	*05/06/2011*

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Certificate of Analysis Summary 415704

Yates Petroleum Corporation, Artesia, NM

Project Name: Dagger Draw Water System

Project Id: 30-015-26299 (Arrow ARW Federal Com
Contact: Robert Asher
Project Location: Eddy County

Date Received in Lab: Fri May-06-11 11:00 am
Report Date: 09-MAY-11
Project Manager: Brent Barron, II

Analysis Requested													
	Lab Id:	415704-001		415704-002		415704-003		415704-004		415704-005		415704-006	
	Field Id:	Comp-00 5 N		Comp-01.0 N		Comp-00 5 W		Comp-01 0 W		Comp-00 5 E		Comp-01 0 E	
	Depth:	6-6 In		12-12 In		6-6 In		12-12 In		6-6 In		12-12 In	
	Matrix:	SOIL		SOIL		SOIL		SOIL		SOIL		SOIL	
	Sampled:	May-04-11 10 25		May-04-11 10 43		May-04-11 10 58		May-04-11 11 15		May-04-11 11 32		May-04-11 11 48	
Anions by E300	*Extracted:*												
	Analyzed:	May-06-11 16 13		May-06-11 16 13		May-06-11 16 13		May-06-11 16 13		May-06-11 16 13		May-06-11 16 13	
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL
Chloride		247	19 7	317	19 8	429	24 9	391	20 2	304	24 9	284	25 1
Percent Moisture	*Extracted:*					-							
	Analyzed:	May-06-11 17 00		May-06-11 17 00		May-06-11 17 00		May-06-11 17 00		May-06-11 17 00		May-06-11 17 00	
	Units/RL:	%	RL	%	RL	%	RL	%	RL	%	RL	%	RL
Percent Moisture		14 8	1 00	15 3	1 00	15 6	1 00	16 8	1 00	15 8	1 00	16 5	1 00

Brent Barron, II
Odessa Laboratory Manager

Final 1 000

Flagging Criteria

X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to affect the recovery of the spike concentration This condition could also affect the relative percent difference in the MS/MSD

B A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination

D The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference Dilution factors are included in the final results The result is from a diluted sample.

E The data exceeds the upper calibration limit, therefore, the concentration is reported as estimated

F RPD exceeded lab control limits.

J The target analyte was positively identified below the MQL and above the SQL

U Analyte was not detected

L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte The department supervisor and QA Director reviewed data The samples were either reanalyzed or flagged as estimated concentrations

H The LCS data for this analytical batch was reported above the laboratory control limits Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting

K Sample analyzed outside of recommended hold time.

JN A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

BRL Below Reporting Limit.

RL Reporting Limit

MDL Method Detection Limit

PQL Practical Quantitation Limit

LOD Limit of Detection

LOQ Limit of Quantitation

DL Method Detection Limit

*** Outside XENCO's scope of NELAC Accreditation.**

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax: 432-563-1713

Project Manager: Robert Asher

Company Name: Yates Petroleum Corporation

Company Address: 105 South 4th Street

City/State/Zip: Artesia, NM 88210

Telephone No: 575-748-4217 Fax No: 575-748-4662

Sampler Signature:

e-mail: boba@yatespetroleum.com

Project Name: Dagger Draw Water System

Project #: 30-015-26299 (Arrow ARW Federal Com #1)

Project Loc: Eddy County

PO #: 105632

Report Format: [X] Standard [ ] TRRP [ ] NPDES

(lab use only)

ORDER #: 415696 AE700 / 415704

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO_3	HCl	H_2SO_4	NaOH	$Na_2S_2O_3$	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge GW = Groundwater S=Soil/Solid NP=Non-Potable Specify Other	Analyze For: TPH 418.1 8015M 8015B	TPH TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, 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			RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	Comp-00.5 N	6"	6"	5/4/2011	10.25 AM			X								S	X							X			X				X
02	Comp-01 0 N	12"	12"	5/4/2011	10:43 AM			X								S	X							X			X				X
03	Comp-00.5 W	6"	6"	5/4/2011	10 58 AM			X								S	X							X			X				X
04	Comp-01.0 W	12"	12"	5/4/2011	11:15 AM			X								S	X							X			X				X
05	Comp-00.5 E	6"	6"	5/4/2011	11:32 AM			X								S	X							X			X				X
06	Comp-01.0 E	12"	12"	5/4/2011	11:48 AM			X								S	X							X			X				X
	PLEASE PUT CHLORIDES																														
	ON SEPARATE REPORT																														

Special Instructions: **TPH 8015M, BTEX 8021B & Chlorides.** ALL results in mg/kg. Thank you.

Relinquished by	Date	Time	Received by	Date	Time
Robert Asher	05/05/11	1 49 PM			
Relinquished by	Date	Time	Received by	Date	Time
Relinquished by	Date	Time	Received by ELOT: Lisa Murdock	Date: 5-6-11	Time: 11:00

Laboratory Comments:

Sample Containers Intact? (Y) N

VOCs Free of Headspace? Y (NA)

Labels on container(s) (Y) N

Custody seals on container(s) (Y) N

Custody seals on cooler(s) (Y) N

Sample Hand Delivered by Sampler/Client Rep ? Y (N)

by Courier? UPS DHL (FedEx) Lone Star

Temperature Upon Receipt: 3.5 °C

Final 1.000

XENCO Laboratories	Document Title Sample Receipt Checklist
Atlanta, Boca Raton, Corpus Christi, Dallas	Document No.. SYS-SRC
Houston, Miami, Odessa, Philadelphia	Revision/Date No 01, 5/27/2010
Phoenix, San Antonio, Tampa	Effective Date. 6/1/2010 Page 1 of 1

Prelogin / Nonconformance Report - Sample Log-In

Client: Yates

Date/Time: 5-6-11 11:00

Lab ID # : 415700/415704

Initials: KM

Sample Receipt Checklist

1. Samples on ice?	Blue	(Water)	No	
2. Shipping container in good condition?	(Yes)	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	(Yes)	No	N/A	
4. Chain of Custody present?	(Yes)	No		
5. Sample instructions complete on chain of custody?	(Yes)	No		
6. Any missing / extra samples?	Yes	(No)		
7. Chain of custody signed when relinquished / received?	(Yes)	No		
8. Chain of custody agrees with sample label(s)?	(Yes)	No		
9. Container labels legible and intact?	(Yes)	No		
10. Sample matrix / properties agree with chain of custody?	(Yes)	No		
11. Samples in proper container / bottle?	(Yes)	No		
12. Samples properly preserved?	(Yes)	No	N/A	
13. Sample container intact?	(Yes)	No		
14. Sufficient sample amount for indicated test(s)?	(Yes)	No		
15. All samples received within sufficient hold time?	(Yes)	No		
16. Subcontract of sample(s)?	Yes	(No)	N/A	
17. VOC sample have zero head space?	Yes	No	(N/A)	

18. Cooler 1 No.		Cooler 2 No.		Cooler 3 No.		Cooler 4 No.		Cooler 5 No.	
lbs	35 °C	lbs	°C	lbs	°C	lbs	°C	lbs	°C

Nonconformance Documentation

Contact:_____ Contacted by:_____ Date/Time:_____

Regarding: _____

Corrective Action Taken: _____

Check all that apply:
- ☐ Cooling process has begun shortly after sampling event and out of temperature condition acceptable by NELAC 5.5.8.3.1.a.1.
- ☐ Initial and Backup Temperature confirm out of temperature conditions
- ☐ Client understands and would like to proceed with analysis

Analytical Report 405104

for

Yates Petroleum Corporation

Project Manager: Robert Asher

Dagger Draw Water System

30-015-26299 (Arrow ARW Federal Com. # 1)

03-FEB-11

Celebrating 20 Years of commitment to excellence in Environmental Testing Services

12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):
Texas (T104704215-10-6-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):
Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)
Xenco-Tampa Mobile (EPA Lab code: FL01212): Florida (E84900)
Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-TX)
Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-TX)
Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370)
Xenco-Boca Raton (EPA Lab Code: FL01273):
Florida(E86240),South Carolina(96031001), Louisiana(04154), Georgia(917)
North Carolina(444), Texas(T104704468-TX), Illinois(002295), Florida(E86349)

Xenco Phoenix (EPA Lab Code: AZ00901):
Arizona(AZ0757), Texas(104704435-10-2), Nevada(NAC-445A), DoD(65816)
Xenco-Phoenix Mobile (EPA Lab code: AZ00901) Arizona (AZM757)
Xenco Tucson (EPA Lab code:AZ000989). Arizona (AZ0758)

03-FEB-11

Project Manager: **Robert Asher**
Yates Petroleum Corporation
105 South Fourth St.
Artesia, NM 88210

Reference: XENCO Report No: **405104**
Dagger Draw Water System
Project Address: Eddy County

Robert Asher:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 405104. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

Unless otherwise noted in a Case Narrative, all data reported in this Analytical Report are in compliance with NELAC standards. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. Should insufficient sample be provided to the laboratory to meet the method and NELAC Matrix Duplicate and Matrix Spike requirements, then the data will be analyzed, evaluated and reported using all other available quality control measures.

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 405104 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

We thank you for selecting XENCO Laboratories to serve your analytical needs. If you have any questions concerning this report, please feel free to contact us at any time.

Respectfully,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 405104

Yates Petroleum Corporation, Artesia, NM

Dagger Draw Water System

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
Comp-00.5	S	Jan-25-11 10:24	6 - 6 In	405104-001
Comp-01.0	S	Jan-25-11 11:02	12 - 12 In	405104-002
Comp-01 5	S	Jan-25-11 11:36	18 - 18 In	405104-003

CASE NARRATIVE

Client Name: Yates Petroleum Corporation
Project Name: Dagger Draw Water System

Project ID:	*30-015-26299 (Arrow ARI*	*Report Date:*	*03-FEB-11*
Work Order Number:	*405104*	*Date Received:*	*01/28/2011*

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Certificate of Analysis Summary 405104

Yates Petroleum Corporation, Artesia, NM

Project Name: Dagger Draw Water System

Project Id: 30-015-26299 (Arrow ARW Federal Com
Contact: Robert Asher
Project Location: Eddy County

Date Received in Lab: Fri Jan-28-11 01 25 pm
Report Date: 03-FEB-11
Project Manager: Brent Barron, II

Analysis Requested											
	Lab Id:	405104-001		405104-002		405104-003					
	Field Id:	Comp-00 5		Comp-01 0		Comp-01 5					
	Depth:	6-6 In		12-12 In		18-18 In					
	Matrix:	SOIL		SOIL		SOIL					
	Sampled:	Jan-25-11 10 24		Jan-25-11 11 02		Jan-25-11 11 36					
Anions in Soil By EPA 300.0	***Extracted:***										
	Analyzed:	Jan-31-11 20 02		Jan-31-11 20 02		Jan-31-11 20 02					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL				
Chloride		361	20 0	386	20 5	376	20 1				
Percent Moisture	***Extracted:***										
	Analyzed:	Jan-28-11 17 00		Jan-28-11 17 00		Jan-28-11 17 00					
	Units/RL:	%	RL	%	RL	%	RL				
Percent Moisture		16 0	1 00	18 1	1 00	16 3	1 00				

Brent Barron, II
Odessa Laboratory Manager

Flagging Criteria

X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to effect the recovery of the spike concentration This condition could also effect the relative percent difference in the MS/MSD.

B A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.

D The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.

E The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.

F RPD exceeded lab control limits.

J The target analyte was positively identified below the MQL and above the SQL.

U Analyte was not detected.

L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.

H The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.

K Sample analyzed outside of recommended hold time.

JN A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

BRL Below Reporting Limit

RL Reporting Limit

MDL Method Detection Limit

PQL Practical Quantitation Limit

* Outside XENCO's scope of NELAC Accreditation.

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax: 432-563-1713

Project Manager: Robert Asher
Company Name: Yates Petroleum Corporation
Company Address: 105 South 4th Street
City/State/Zip: Artesia, NM 88210
Telephone No: 575-748-4217 Fax No: 575-748-4662
Sampler Signature: [signature]
e-mail: boba@yatespetroleum com

Project Name: Dagger Draw Water System
Project #: 30-015-26299 (Arrow ARW Federal Com #1)
Project Loc: Eddy County
PO #: 105632
Report Format: [X] Standard [ ] TRRP [ ] NPDES

(lab use only)
ORDER #: 405103 / 405104

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO3	HCl	H2SO4	NaOH	Na2S2O3	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge	GW = Groundwater S=Soil/Solid	NP=Non-Potable Specify Other	Analyze For: TPH 418 1 8015B	TPH 8015M	TPH TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl SO4, Alkalinity)	SAR / ESP / CEC	Metals As Ag Ba Cd Cr Pb Hg Se (TCLP)	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N O R M	Chlorides	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	Comp-00 5	6"	6"	1/25/2011	10 24 AM			X									S		X									X			X		X
02	Comp-01 0	12"	12"	1/25/2011	11:02 AM			X									S		X									X			X		X
03	Comp-01.5	18"	18"	1/25/2011	11:36 AM			X									S		X									X			X		X
	PLEASE PUT CHLORIDES																															
	ON SEPARATE REPORT																															

Special Instructions: **TPH 8015M, BTEX 8021B & Chlorides.** ALL results in mg/kg. Thank you

Relinquished by	Date	Time	Received by	Date	Time
Robert Asher Easi yPC	01/27/11	2 03 PM			
Relinquished by	Date	Time	Received by	Date	Time
Relinquished by	Date	Time	Received by ELOT	Date	Time
Fedex			Andrea Elam	1-28-11	13:25

Laboratory Comments:

Sample Containers Intact?	N
VOCs Free of Headspace?	N
Labels on container(s)	N
Custody seals on container(s)	N
Custody seals on cooler(s)	N
Sample Hand Delivered	N
by Sampler/Client Rep ?	Y
by Courier? UPS DHL (FedEx) Lone Star	
4 02 glass	
Temperature Upon Receipt	1.6 °C

Final 1 000

XENCO Laboratories

XENCO Laboratories
Atlanta, Boca Raton, Corpus Christi, Dallas
Houston, Miami, Odessa, Philadelphia
Phoenix, San Antonio, Tampa

Document Title: Sample Receipt Checklist
Document No.: SYS-SRC
Revision/Date: No. 01, 5/27/2010
Effective Date: 6/1/2010 Page 1 of 1

Prelogin / Nonconformance Report - Sample Log-In

Client: Yates Petroleum
Date/Time: 1 28 11 13.25
Lab ID #: 405103 / 405104
Initials: AE

Sample Receipt Checklist

1. Samples on ice?	Blue	(Water)	No	
2. Shipping container in good condition?	(Yes)	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	(Yes)	No	N/A	
4. Chain of Custody present?	(Yes)	No		
5. Sample instructions complete on chain of custody?	(Yes)	No		
6. Any missing / extra samples?	Yes	(No)		
7. Chain of custody signed when relinquished / received?	(Yes)	No		
8. Chain of custody agrees with sample label(s)?	(Yes)	No		
9. Container labels legible and intact?	(Yes)	No		
10. Sample matrix / properties agree with chain of custody?	(Yes)	No		
11. Samples in proper container / bottle?	(Yes)	No		
12. Samples properly preserved?	(Yes)	No	N/A	
13. Sample container intact?	(Yes)	No		
14. Sufficient sample amount for indicated test(s)?	(Yes)	No		
15. All samples received within sufficient hold time?	(Yes)	No		
16. Subcontract of sample(s)?	(Yes) AC	No	(N/A)	
17. VOC sample have zero head space?	(Yes)	No	N/A	

18. Cooler 1 No.		Cooler 2 No.		Cooler 3 No.		Cooler 4 No.		Cooler 5 No.	
lbs	1.6 °C	lbs	°C	lbs	°C	lbs	°C	lbs	°C

Nonconformance Documentation

Contact:_____ Contacted by:_____ Date/Time:_____

Regarding: _____

Corrective Action Taken: _____

Check all that apply:
- ☐ Cooling process has begun shortly after sampling event and out of temperature condition acceptable by NELAC 5.5.8.3.1.a.1.
- ☐ Initial and Backup Temperature confirm out of temperature conditions
- ☐ Client understands and would like to proceed with analysis

Analytical Report 405103

for

Yates Petroleum Corporation

Project Manager: Robert Asher

Dagger Draw Water System

30-015-26299 (Arrow ARW Federal Com. # 1)

03-FEB-11

Celebrating 20 Years of commitment to excellence in Environmental Testing Services

12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):
Texas (T104704215-10-6-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):
Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)
Xenco-Tampa Mobile (EPA Lab code: FL01212): Florida (E84900)
Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-TX)
Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-TX)
Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370)
Xenco-Boca Raton (EPA Lab Code: FL01273):
Florida(E86240),South Carolina(96031001), Louisiana(04154), Georgia(917)
North Carolina(444), Texas(T104704468-TX), Illinois(002295), Florida(E86349)

Xenco Phoenix (EPA Lab Code: AZ00901):
Arizona(AZ0757), Texas(104704435-10-2), Nevada(NAC-445A), DoD(65816)
Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)
Xenco Tucson (EPA Lab code:AZ000989): Arizona (AZ0758)

03-FEB-11

Project Manager: **Robert Asher**
Yates Petroleum Corporation
105 South Fourth St.
Artesia, NM 88210

Reference: XENCO Report No: **405103**
Dagger Draw Water System
Project Address: Eddy County

Robert Asher:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 405103. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

Unless otherwise noted in a Case Narrative, all data reported in this Analytical Report are in compliance with NELAC standards. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. Should insufficient sample be provided to the laboratory to meet the method and NELAC Matrix Duplicate and Matrix Spike requirements, then the data will be analyzed, evaluated and reported using all other available quality control measures.

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 405103 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

We thank you for selecting XENCO Laboratories to serve your analytical needs. If you have any questions concerning this report, please feel free to contact us at any time.

Respectfully,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 405103

Yates Petroleum Corporation, Artesia, NM

Dagger Draw Water System

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
Comp-00.5	S	Jan-25-11 10:24	6 - 6 In	405103-001
Comp-01.0	S	Jan-25-11 11:02	12 - 12 In	405103-002
Comp-01 5	S	Jan-25-11 11:36	18 - 18 In	405103-003

CASE NARRATIVE

Client Name: Yates Petroleum Corporation
Project Name: Dagger Draw Water System

Project ID.	*30-015-26299 (Arrow ARI*	*Report Date:*	*03-FEB-11*
Work Order Number:	*405103*	*Date Received:*	*01/28/2011*

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-841669 BTEX by EPA 8021
SW8021BM

Batch 841669, Ethylbenzene recovered below QC limits in the Matrix Spike. o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.
Samples affected are: 405103-002, -001.
The Laboratory Control Sample for Ethylbenzene, o-Xylene is within laboratory Control Limits

Batch: LBA-841680 Percent Moisture

Batch: LBA-841876 BTEX by EPA 8021
SW8021BM

Batch 841876, 4-Bromofluorobenzene recovered above QC limits . Matrix interferences is suspected; data not confirmed by re-analysis
Samples affected are: 405103-003.

SW8021BM

Batch 841876, Benzene, Ethylbenzene, Toluene, m,p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.
Samples affected are: 405103-003.
The Laboratory Control Sample for Toluene, m,p-Xylenes , Benzene, Ethylbenzene, o-Xylene is within laboratory Control Limits

Batch: LBA-842022 TPH by SW 8015B

Certificate of Analysis Summary 405103

Yates Petroleum Corporation, Artesia, NM

Project Name: Dagger Draw Water System

Project Id: 30-015-26299 (Arrow ARW Federal Com
Contact: Robert Asher
Project Location: Eddy County

Date Received in Lab: Fri Jan-28-11 01 25 pm
Report Date: 03-FEB-11
Project Manager: Brent Barron, II

Analysis Requested											
	Lab Id:	405103-001		405103-002		405103-003					
	Field Id:	Comp-00 5		Comp-01 0		Comp-01 5					
	Depth:	6-6 In		12-12 In		18-18 In					
	Matrix:	SOIL		SOIL		SOIL					
	Sampled:	Jan-25-11 10 24		Jan-25-11 11 02		Jan-25-11 11 36					
BTEX by EPA 8021	*Extracted:*	Jan-29-11 09 11		Jan-29-11 09 11		Jan-31-11 13 04					
	Analyzed:	Jan-30-11 03 12		Jan-30-11 02 03		Feb-01-11 02 25					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL				
Benzene		ND	0 0202	ND	0 0010	0 0062	0 0060				
Toluene		0 0645	0 0403	ND	0 0020	0 0423	0 0119				
Ethylbenzene		0 1444	0 0202	0 0014	0 0010	0 0330	0 0060				
m,p-Xylenes		0 7800	0 0403	0 0032	0 0020	0 1912	0 0119				
o-Xylene		0 3119	0 0202	0 0037	0 0010	0 1056	0 0060				
Xylenes, Total		1 092	0 0202	0 0069	0 0010	0 2968	0 0060				
Total BTEX		1 301	0 0202	0 0083	0 0010	0 3783	0 0060				
Percent Moisture	*Extracted:*										
	Analyzed:	Jan-28-11 17 00		Jan-28-11 17 00		Jan-28-11 17 00					
	Units/RL:	%	RL	%	RL	%	RL				
Percent Moisture		16 0	1 00	18 1	1 00	16 3	1 00				
TPH by SW 8015B	*Extracted:*	Jan-31-11 10 00		Jan-31-11 10 00		Jan-31-11 10 00					
	Analyzed:	Jan-31-11 13 49		Jan-31-11 14 18		Jan-31-11 14 47					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL				
C6-C10 Gasoline Range Hydrocarbons		18 9	17 9	ND	18 2	ND	18 0				
C10-C28 Diesel Range Hydrocarbons		721	17 9	76 0	18 2	324	18 0				
Total TPH		740	17 9	76 0	18 2	324	18 0				

Brent Barron, II
Odessa Laboratory Manager

Final 1.000

Flagging Criteria

X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to effect the recovery of the spike concentration. This condition could also effect the relative percent difference in the MS/MSD.

B A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.

D The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results The result is from a diluted sample

E The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.

F RPD exceeded lab control limits.

J The target analyte was positively identified below the MQL and above the SQL

U Analyte was not detected

L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.

H The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.

K Sample analyzed outside of recommended hold time.

JN A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

BRL Below Reporting Limit.

RL Reporting Limit

MDL Method Detection Limit

PQL Practical Quantitation Limit

* Outside XENCO's scope of NELAC Accreditation.

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax. 432-563-1713

Project Manager: Robert Asher

Company Name: Yates Petroleum Corporation

Company Address: 105 South 4th Street

City/State/Zip: Artesia, NM 88210

Telephone No: 575-748-4217 Fax No: 575-748-4662

Sampler Signature: [signature]

e-mail: boba@yatespetroleum.com

Project Name: Dagger Draw Water System

Project #: 30-015-26299 (Arrow ARW Federal Com #1)

Project Loc: Eddy County

PO #: 105632

Report Format: [x] Standard [ ] TRRP [ ] NPDES

(lab use only)

ORDER #: 405103 / 405104

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO_3	HCl	H_2SO_4	NaOH	$Na_2S_2O_3$	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge	GW = Groundwater S=Soil/Solid	NP=Non-Potable Specify Other	Analyze For: TCLP / TOTAL: TPH 418.1 8015M 8015B	TPH TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, 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			RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	Comp-00 5	6"	6"	1/25/2011	10:24 AM			X									S		X							X			X				X
02	Comp-01 0	12"	12"	1/25/2011	11:02 AM			X									S		X							X			X				X
03	Comp-01.5	18"	18"	1/25/2011	11:36 AM			X									S		X							X			X				X
	PLEASE PUT CHLORIDES																																
	ON SEPARATE REPORT																																

Special Instructions: **TPH 8015M, BTEX 8021B & Chlorides.** ALL results in mg/kg Thank you

Relinquished by	Date	Time	Received by	Date	Time
Robert Asher [signature]	01/27/11	2 03 PM			
Relinquished by	Date	Time	Received by	Date	Time
Relinquished by	Date	Time	Received by ELOT	Date	Time
Fedex			Andrea Elam	1-28-11	13:25

Laboratory Comments:

Sample Containers Intact? N

VOCs Free of Headspace? N

Labels on container(s) N

Custody seals on container(s) N

Custody seals on cooler(s) N

Sample Hand Delivered N

by Sampler/Client Rep ? Y

by Courier? UPS DHL (FedEx) Lone Star

4029455

Temperature Upon Receipt 1.6 °C

Final 1.000

XENCO Laboratories

XENCO Laboratories
Atlanta, Boca Raton, Corpus Christi, Dallas
Houston, Miami, Odessa, Philadelphia
Phoenix, San Antonio, Tampa

Document Title: Sample Receipt Checklist
Document No.: SYS-SRC
Revision/Date: No. 01, 5/27/2010
Effective Date: 6/1/2010 Page 1 of 1

Prelogin / Nonconformance Report - Sample Log-In

Client: Yates Petroleum
Date/Time: 1 28 11 13.25
Lab ID # : 405103 / 405104
Initials: AE

Sample Receipt Checklist

1. Samples on ice?	Blue	(Water)	No	
2. Shipping container in good condition?	(Yes)	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	(Yes)	No	N/A	
4. Chain of Custody present?	(Yes)	No		
5. Sample instructions complete on chain of custody?	(Yes)	No		
6. Any missing / extra samples?	Yes	(No)		
7. Chain of custody signed when relinquished / received?	(Yes)	No		
8. Chain of custody agrees with sample label(s)?	(Yes)	No		
9. Container labels legible and intact?	(Yes)	No		
10. Sample matrix / properties agree with chain of custody?	(Yes)	No		
11. Samples in proper container / bottle?	(Yes)	No		
12. Samples properly preserved?	(Yes)	No	N/A	
13. Sample container intact?	(Yes)	No		
14. Sufficient sample amount for indicated test(s)?	(Yes)	No		
15. All samples received within sufficient hold time?	(Yes)	No		
16. Subcontract of sample(s)?	(Yes) AC	No	(N/A)	
17. VOC sample have zero head space?	(Yes)	No	N/A	

18. Cooler 1 No.		Cooler 2 No.		Cooler 3 No.		Cooler 4 No.		Cooler 5 No.	
lbs	1.6 °C	lbs	°C	lbs	°C	lbs	°C	lbs	°C

Nonconformance Documentation

Contact:_____ Contacted by:_____ Date/Time:_____

Regarding: _____

Corrective Action Taken: _____

Check all that apply:
- ☐ Cooling process has begun shortly after sampling event and out of temperature condition acceptable by NELAC 5.5.8.3.1.a.1.
- ☐ Initial and Backup Temperature confirm out of temperature conditions
- ☐ Client understands and would like to proceed with analysis