

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

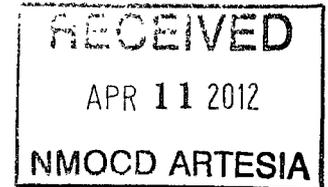


105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (575) 748-1471

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April 11, 2012

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



Re: Loving AIB State #1
30-015-22889
Section 16, T23S-R28E
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 February 14, 2012 (2RP-1039). Impacted soils to the west of the production pad were excavated and hauled to an NMOCD approved facility. Vertical and horizontal delineation samples were taken and sent to an NMOCD approved laboratory. Enclosed are the analytical reports, results show TPH and BTEX, to be below RRAL's, based on a site ranking of twenty (depth to ground water recorded at 55' per NMOSE, Section 16, T23S-R28E); Yates Petroleum Corporation requests closure based on impacted soils excavated/hailed and analytical results.

If you have any questions, please call me at 575-748-4111.

Thank you.

YATES PETROLEUM CORPORATION

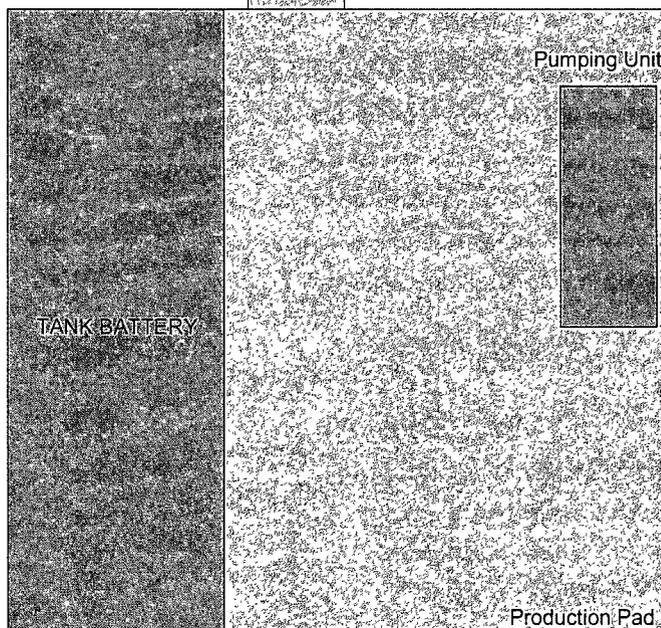
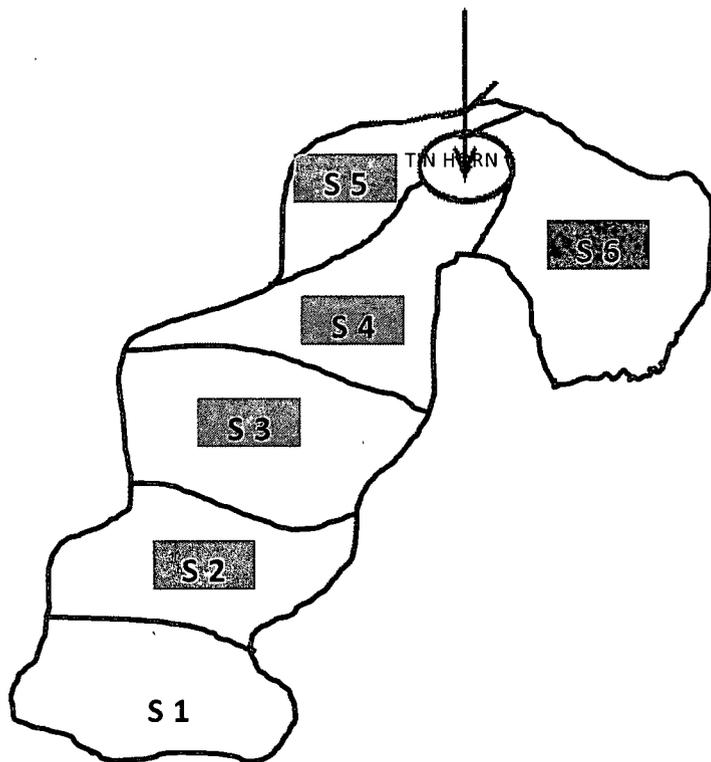
Amber Cannon
Environmental Regulatory Agent

/anc
Enclosure(s)



LEASE ROAD

TIN HORN



Loving AIB State #1
30-015-22889
Section 16, T23S-R28E
Eddy County, NM

SAMPLE DIAGRAM(Not to Scale)
Xenco Laboratories# 437855 & 438611
Cardinal Labatories# H200473
Report Date: 8/18/2011

Prepared by Amber Cannon
Environmental Regulatory Agent

LOVING AIB STATE #1

Release 2/14/2012

Analytical Report-H200473	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
West 3 (S 1-3')	Release Area	2/21/2012	Grab/Backhoe	3'	ND	ND	ND	ND	112
West 4 (S 1-4')	Release Area	2/21/2012	Grab/Backhoe	4'	ND	ND	ND	ND	352

Analytical Report-437855 & 437856	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
TH 3'	Release Area	2/28/2012	Grab/Backhoe	3'	ND	ND	ND	ND	16,000
TH 4'	Release Area	2/28/2012	Grab/Backhoe	4'	ND	ND	ND	ND	20,300

Analytical Report-438611	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
S 2-3'	Release Area	3/12/2012	Grab/Backhoe	3'	N/A	N/A	N/A	N/A	226
S 2-4'	Release Area	3/12/2012	Grab/Backhoe	4'	N/A	N/A	N/A	N/A	1280
S 3-3'	Release Area	3/12/2012	Grab/Backhoe	3'	N/A	N/A	N/A	N/A	399
S 3-4'	Release Area	3/12/2012	Grab/Backhoe	4'	N/A	N/A	N/A	N/A	188
S 4-3'	Release Area	3/12/2012	Grab/Backhoe	3'	N/A	N/A	N/A	N/A	225
S 4-4'	Release Area	3/12/2012	Grab/Backhoe	4'	N/A	N/A	N/A	N/A	707
S 5-5'	Release Area	3/12/2012	Grab/Backhoe	5'	N/A	N/A	N/A	N/A	16100
S 5-6'	Release Area	3/12/2012	Grab/Backhoe	6'	N/A	N/A	N/A	N/A	16500
S 5-7'	Release Area	3/12/2012	Grab/Backhoe	7'	N/A	N/A	N/A	N/A	9210
S 5-8'	Release Area	3/12/2012	Grab/Backhoe	8'	N/A	N/A	N/A	N/A	10400
S 6-3'	Release Area	3/12/2012	Grab/Backhoe	3'	N/A	N/A	N/A	N/A	27.4
S 6-4'	Release Area	3/12/2012	Grab/Backhoe	4'	N/A	N/A	N/A	N/A	48.6

Analytical Report-439930	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
S 5-9'	Release Area	3/30/2012	Grab/Backhoe	9'	N/A	N/A	N/A	N/A	58.8
S 5-10'	Release Area	3/30/2012	Grab/Backhoe	10'	N/A	N/A	N/A	N/A	73.1
S 5-11'	Release Area	3/30/2012	Grab/Backhoe	11'	N/A	N/A	N/A	N/A	37.9
S 5-12'	Release Area	3/30/2012	Grab/Backhoe	12'	N/A	N/A	N/A	N/A	62.5

Site Ranking is TWENTY (20). Depth to Ground Water <50' (approx. 55', Section 16-23S-28E, per NMOSE).

All results are ppm.Chlorides for documentation.

Released: 5 B/PW; Recovered: 0 B/PW. Release Date: 2/14/2012



February 29, 2012

AMBER CANNON

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: LOVING AIB STATE #1

Enclosed are the results of analyses for samples received by the laboratory on 02/23/12 11:35.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. 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,

A handwritten signature in cursive script that reads 'Celey D. Keene'.

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

 Yates Energy Petroleum Corp
 AMBER CANNON
 105 S 4th Street
 Artesia NM, 88210
 Fax To: (505) 748-4635

Received:	02/23/2012	Sampling Date:	02/21/2012
Reported:	02/29/2012	Sampling Type:	Soil
Project Name:	LOVING AIB STATE #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-22889 2/14/2012 RELEASE	Sample Received By:	Jodi Henson
Project Location:	16-23S-28E, EDDY COUNTY		

Sample ID: WEST 3 (H200473-01)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	112	16.0	02/24/2012	ND	416	104	400	3.77		

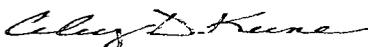
Sample ID: WEST 4 (H200473-02)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	352	16.0	02/24/2012	ND	416	104	400	3.77		

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager



CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

ARDINAL LABORATORIES
101 East Marland, Hobbs, NM 88240

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

Project Manager: Amber Cannon

Project Name: Loving AIB State #1

Company Name: Yates Petroleum Corporation

Project #: 30-015-22889 2/14/2012 Release

Company Address: 105 South 4th Street

Project Loc: 16-23S-28E, Eddy County

City/State/Zip: Artesia, NM 88210

PO #: 1032020

Telephone No: 575-748-4111

Fax No: 575-748-4131

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

Sampler Signature: Amber Cannon

e-mail: acannon@yatespetroleum.com

(lab use only) ORDER #:

Table with columns: LAB # (lab use only), Field Code, Beginning Depth, Ending Depth, Date Sampled, Time Sampled, Field Filtered, Total # of Containers, Ice, HNO3, HCl, H2SO4, NaOH, Na2S2O7, None, Other (Specify), Matrix, DW=Drinking Water, SL=Sludge, GW=Groundwater, S=Soil/Solid, NP=Non-Petroleum, Specity Other, TPH 418, TPH 8015M, 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, PCBs, RC1, N.O.R.M, Chlorides, SAR, RUSH TAT (Pre-Schedule) 24, 48, 72 hrs, Standard TAT.

Special Instructions: Please ensure that all results are reported in the appropriate units. If any results are not reported, please contact the laboratory.

Laboratory Comments: Sample Containers Intact? (Y) N; VOCs Free of Headspace? (Y) N; 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 30 C.

Table with columns: Relinquished by, Date, Time, Received by, Date, Time. Includes signatures of Amber Cannon and Kelly Benson.



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

February 29, 2012

AMBER CANNON

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: LOVING AIB STATE #1

Enclosed are the results of analyses for samples received by the laboratory on 02/23/12 11:35.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. 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.

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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,

A handwritten signature in black ink that reads "Celey D. Keene". The signature is written in a cursive style.

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

 Yates Energy Petroleum Corp
 AMBER CANNON
 105 S 4th Street
 Artesia NM, 88210
 Fax To: (505) 748-4635

Received:	02/23/2012	Sampling Date:	02/21/2012
Reported:	02/29/2012	Sampling Type:	Soil
Project Name:	LOVING AIB STATE #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-22889 2/14/2012 RELEASE	Sample Received By:	Jodi Henson
Project Location:	16-23S-28E, EDDY COUNTY		

Sample ID: WEST 3 (H200473-01)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/29/2012	ND	2.10	105	2.00	2.86		
Toluene*	<0.050	0.050	02/29/2012	ND	2.27	114	2.00	2.79		
Ethylbenzene*	<0.050	0.050	02/29/2012	ND	2.32	116	2.00	2.60		
Total Xylenes*	<0.150	0.150	02/29/2012	ND	7.29	122	6.00	2.38		

Surrogate 4-Bromofluorobenzene (PIL) 110 % 64 4-134

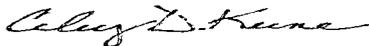
TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	02/24/2012	ND	192	96.0	200	3.91		
DRO >C10-C28	<10.0	10.0	02/24/2012	ND	158	79.2	200	8.16		

Surrogate 1-Chlorooctane 102 % 55 5-154
Surrogate 1-Chlorooctadecane 110 % 57 6-158

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 Yates Energy Petroleum Corp
 AMBER CANNON
 105 S 4th Street
 Artesia NM, 88210
 Fax To: (505) 748-4635

Received:	02/23/2012	Sampling Date:	02/21/2012
Reported:	02/29/2012	Sampling Type:	Soil
Project Name:	LOVING AIB STATE #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-22889 2/14/2012 RELEASE	Sample Received By:	Jodi Henson
Project Location:	16-23S-28E, EDDY COUNTY		

Sample ID: WEST 4 (H200473-02)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/29/2012	ND	2.10	105	2.00	2.86		
Toluene*	<0.050	0.050	02/29/2012	ND	2.27	114	2.00	2.79		
Ethylbenzene*	<0.050	0.050	02/29/2012	ND	2.32	116	2.00	2.60		
Total Xylenes*	<0.150	0.150	02/29/2012	ND	7.29	122	6.00	2.38		

Surrogate 4-Bromofluorobenzene (PIL) 108 % 64 4-134

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	02/24/2012	ND	192	96.0	200	3.91		
DRO >C10-C28	<10.0	10.0	02/24/2012	ND	158	79.2	200	8.16		

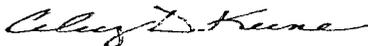
Surrogate 1-Chlorooctane 107 % 55 5-154

Surrogate 1-Chlorooctadecane 114 % 57 6-158

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Report 437855

for Yates Petroleum Corporation

Project Manager: Amber Cannon

Loving AIB State # 1

30-015-22889 2/14/12 Release

01-MAR-12

Collected By: Client



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12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-10-6-TX), Arizona (AZ0765), 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 Phoenix (EPA Lab Code: AZ00901): Arizona (AZ0757)

Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)

Xenco Tucson (EPA Lab code: AZ000989): Arizona (AZ0758)



01-MAR-12

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

Reference: XENCO Report No: **437855**
Loving AIB State # 1
Project Address: Eddy County

Amber Cannon:

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 437855. 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. 437855 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

Recipient of the Prestigious Small Business Administration Award of Excellence in 1994.

Certified and approved by numerous States and Agencies

A Small Business and Minority Status Company that delivers SERVICE and QUALITY

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Atlanta - Corpus Christi - Latin America



Sample Cross Reference 437855



Yates Petroleum Corporation, Artesia, NM

Loving AIB State # 1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
TH 3'	S	02-28-12 09:30	3 - 3 ft	437855-001
TH 4'	S	02-28-12 09:30	4 - 4 ft	437855-002



CASE NARRATIVE

Client Name: Yates Petroleum Corporation

Project Name: Loving AIB State # 1



Project ID: 30-015-22889 2/14/12 Rel

Work Order Number: 437855

Report Date: 01-MAR-12

Date Received: 02/29/2012

Sample receipt non conformances and comments:

None

Sample receipt non conformances and comments per sample:

None

Analytical non conformances and comments:

Batch: LBA-882543 BTEX by EPA 8021B

SW8021BM

Batch 882543, Ethylbenzene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate. Benzene, Toluene, m_p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike Duplicate.

Samples affected are: 437855-001, -002.

The Laboratory Control Sample for Toluene, Benzene, Ethylbenzene, m_p-Xylenes , o-Xylene is within laboratory Control Limits



Certificate of Analysis Summary 437855

Yates Petroleum Corporation, Artesia, NM



Project Id: 30-015-22889 2/14/12 Release

Contact: Amber Cannon

Project Location: Eddy County

Project Name: Loving AIB State # 1

Date Received in Lab: Wed Feb-29-12 11:35 am

Report Date: 01-MAR-12

Project Manager: Brent Barron II

<i>Analysis Requested</i>	<i>Lab Id:</i>	437855-001	437855-002				
	<i>Field Id:</i>	TH 3'	TH 4'				
	<i>Depth:</i>	3-3 ft	4-4 ft				
	<i>Matrix:</i>	SOIL	SOIL				
	<i>Sampled:</i>	Feb-28-12 09 30	Feb-28-12 09 30				
BTEX by EPA 8021B	<i>Extracted:</i>	Feb-29-12 14 11	Feb-29-12 14 11				
	<i>Analyzed:</i>	Feb-29-12 14 34	Feb-29-12 14 57				
	<i>Units/RL:</i>	mg/kg RL	mg/kg RL				
Benzene		ND 0.00116	ND 0.00119				
Toluene		ND 0.00232	ND 0.00238				
Ethylbenzene		ND 0.00116	ND 0.00119				
m_p-Xylenes		ND 0.00232	ND 0.00238				
o-Xylene		ND 0.00116	ND 0.00119				
Total Xylenes		ND 0.00116	ND 0.00119				
Total BTEX		ND 0.00116	ND 0.00119				
Percent Moisture	<i>Extracted:</i>						
	<i>Analyzed:</i>	Feb-29-12 15 25	Feb-29-12 15 25				
	<i>Units/RL:</i>	% RL	% RL				
Percent Moisture		14.3 1.00	16.5 1.00				
TPH By SW8015B Mod	<i>Extracted:</i>	Feb-29-12 14 00	Feb-29-12 14 00				
	<i>Analyzed:</i>	Feb-29-12 15 28	Feb-29-12 15 59				
	<i>Units/RL:</i>	mg/kg RL	mg/kg RL				
C6-C10 Gasoline Range Hydrocarbons		ND 17.5	ND 17.9				
C10-C28 Diesel Range Hydrocarbons		ND 17.5	ND 17.9				
Total TPH		ND 17.5	ND 17.9				

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end user of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

Houston - Dallas - San Antonio - Atlanta - Tampa - Boca Raton - Latin America - Odessa - Corpus Christi

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 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 quantitation limit and above the detection limit.
- 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

* Surrogate recovered outside laboratory control limit.

BRL Below Reporting Limit.

RL Reporting Limit

MDL Method Detection Limit **SDL** Sample Detection Limit **LOD** Limit of Detection

PQL Practical Quantitation Limit **MQL** Method Quantitation Limit **LOQ** Limit of Quantitation

DL Method Detection Limit

NC Non-Calculable

+ NELAC certification not offered for this compound.

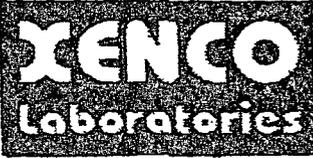
* (Next to analyte name or method description) = Outside XENCO's scope of NELAC accreditation

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5332 Blackberry Drive, San Antonio TX 78238	(214) 902 0300	(214) 351-9139
2505 North Falkenburg Rd. Tampa, FL 33619	(210) 509-3334	(210) 509-3335
12600 West 1-20 East, Odessa TX 79765	(813) 620-2000	(813) 620-2033
6017 Financial Drive, Norcross, GA 30071	(432) 563-1800	(432) 563-1713
3725 E Atlanta Ave, Phoenix AZ 85040	(770) 449-8800	(770) 449-5477
	(602) 437-0330	



XENCO Laboratories
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 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: 2-29-12 11:35
 Lab ID #: 437855 / 437966
 Initials: AE

Sample Receipt Checklist

1. Samples on ice?	Blue	Water	No	
2. Shipping container in good condition?	<u>Yes</u>	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	<u>Yes</u>	No	N/A	
4. Chain of Custody present?	<u>Yes</u>	No		
5. Sample instructions complete on chain of custody?	<u>Yes</u>	No		
6. Any missing / extra samples?	Yes	<u>No</u>		
7. Chain of custody signed when relinquished / received?	<u>Yes</u>	No		
8. Chain of custody agrees with sample label(s)?	<u>Yes</u>	No		
9. Container labels legible and intact?	<u>Yes</u>	No		
10. Sample matrix / properties agree with chain of custody?	<u>Yes</u>	No		
11. Samples in proper container / bottle?	<u>Yes</u>	No		
12. Samples properly preserved?	<u>Yes</u>	No	N/A	
13. Sample container intact?	<u>Yes</u>	No		
14. Sufficient sample amount for indicated test(s)?	<u>Yes</u>	No		
15. All samples received within sufficient hold time?	<u>Yes</u>	No		
16. Subcontract of sample(s)?	Yes	No	<u>N/A</u>	
17. VOC sample have zero head space?	<u>Yes</u>	No	N/A	
18. Cooler 1 No.	Cooler 2 No.	Cooler 3 No.	Cooler 4 No.	Cooler 5 No.
lbs <u>4.5</u> °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 437856

for

Yates Petroleum Corporation

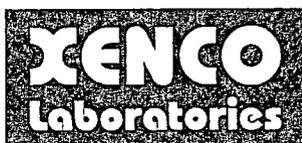
Project Manager: Amber Cannon

Loving AIB State # 1

30-015-22889 2/14/12 Release

02-MAR-12

Collected By: Client



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12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-10-6-TX), Arizona (AZ0765), 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 Phoenix (EPA Lab Code: AZ00901): Arizona (AZ0757)

Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)

Xenco Tucson (EPA Lab code: AZ000989): Arizona (AZ0758)



02-MAR-12

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

Reference: XENCO Report No: **437856**
Loving AIB State # 1
Project Address: Eddy County

Amber Cannon:

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 437856. 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. 437856 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

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Sample Cross Reference 437856



Yates Petroleum Corporation, Artesia, NM
Loving AIB State # 1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
TH 3'	S	02-28-12 09:30	3 - 3 ft	437856-001
TH 4'	S	02-28-12 09:30	4 - 4 ft	437856-002



CASE NARRATIVE

Client Name: Yates Petroleum Corporation

Project Name: Loving AIB State # 1



Project ID: 30-015-22889 2/14/12 Rel

Report Date: 02-MAR-12

Work Order Number: 437856

Date Received: 02/29/2012

Sample receipt non conformances and comments:

None

Sample receipt non conformances and comments per sample:

None



Certificate of Analysis Summary 437856

Yates Petroleum Corporation, Artesia, NM



Project Id: 30-015-22889 2/14/12 Release

Contact: Amber Cannon

Project Location: Eddy County

Project Name: Loving AIB State # 1

Date Received in Lab: Wed Feb-29-12 11:35 am

Report Date: 02-MAR-12

Project Manager: Brent Barron II

<i>Analysis Requested</i>	<i>Lab Id:</i>	437856-001	437856-002				
	<i>Field Id:</i>	TH 3'	TH 4'				
	<i>Depth:</i>	3-3 ft	4-4 ft				
	<i>Matrix:</i>	SOIL	SOIL				
	<i>Sampled:</i>	Feb-28-12 09 30	Feb-28-12 09 30				
Anions by E300	<i>Extracted:</i>						
	<i>Analyzed:</i>	Feb-29-12 15 17	Feb-29-12 15:17				
	<i>Units/RL:</i>	mg/kg RL	mg/kg RL				
Chloride		16000 490	20300 503				
Percent Moisture	<i>Extracted:</i>						
	<i>Analyzed:</i>	Feb-29-12 15:25	Feb-29-12 15:25				
	<i>Units/RL:</i>	% RL	% RL				
Percent Moisture		14.3 1.00	16.5 1.00				

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end use of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

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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 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 quantitation limit and above the detection limit.
- 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.

* Surrogate recovered outside laboratory control limit.

BRL Below Reporting Limit.

RL Reporting Limit

MDL Method Detection Limit **SDL** Sample Detection Limit **LOD** Limit of Detection

PQL Practical Quantitation Limit **MQL** Method Quantitation Limit **LOQ** Limit of Quantitation

DL Method Detection Limit

NC Non-Calculable

+ NELAC certification not offered for this compound.

* (Next to analyte name or method description) = Outside XENCO's scope of NELAC accreditation

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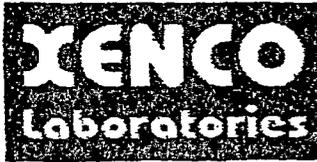
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(770) 449-8800	(770) 449-5477
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Document Title: Sample Receipt Checklist
 Document No.: SYS-SRC
 Revision/Date: No. 01, 5/27/2010
 Effective Date: 6/1/2010 Page 1 of 1

Prelogin / Nonconformance Report - Sample Log-In

Client: Yates Petroleum
 Date/Time: 2-29-12 11:35
 Lab ID #: 437855 / 437966
 Initials: AE

Sample Receipt Checklist

1. Samples on ice?	Blue	Water	No	
2. Shipping container in good condition?	<u>Yes</u>	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	<u>Yes</u>	No	N/A	
4. Chain of Custody present?	<u>Yes</u>	No		
5. Sample instructions complete on chain of custody?	<u>Yes</u>	No		
6. Any missing / extra samples?	Yes	<u>No</u>		
7. Chain of custody signed when relinquished / received?	<u>Yes</u>	No		
8. Chain of custody agrees with sample label(s)?	<u>Yes</u>	No		
9. Container labels legible and intact?	<u>Yes</u>	No		
10. Sample matrix / properties agree with chain of custody?	<u>Yes</u>	No		
11. Samples in proper container / bottle?	<u>Yes</u>	No		
12. Samples properly preserved?	<u>Yes</u>	No	N/A	
13. Sample container intact?	<u>Yes</u>	No		
14. Sufficient sample amount for indicated test(s)?	<u>Yes</u>	No		
15. All samples received within sufficient hold time?	<u>Yes</u>	No		
16. Subcontract of sample(s)?	Yes	No	<u>N/A</u>	
17. VOC sample have zero head space?	<u>Yes</u>	No	N/A	
18. Cooler 1 No.	Cooler 2 No.	Cooler 3 No.	Cooler 4 No.	Cooler 5 No.
lbs 4.5 °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 5.5.3.3.1.a.1.
 - Initial and Backup Temperature confirm out of temperature conditions
 - Client understands and would like to proceed with analysis

Analytical Report 438611

for Yates Petroleum Corporation

Project Manager: Amber Cannon

Loving AIB State # 1

30-015-22889 2/14/12 Release

20-MAR-12

Collected By: Client



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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 Phoenix (EPA Lab Code: AZ00901): Arizona (AZ0757)

Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)

Xenco Tucson (EPA Lab code: AZ000989): Arizona (AZ0758)



20-MAR-12

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

Reference: XENCO Report No: **438611**
Loving AIB State # 1
Project Address: Eddy County

Amber Cannon:

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 438611. 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. 438611 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

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Sample Cross Reference 438611



Yates Petroleum Corporation, Artesia, NM

Loving AIB State # 1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
S 2-3'	S	03-12-12 09:55	3 - 3 ft	438611-001
S 2-4'	S	03-12-12 09:55	4 - 4 ft	438611-002
S 3-3'	S	03-12-12 10:55	3 - 3 ft	438611-003
S 3-4'	S	03-12-12 10:55	4 - 4 ft	438611-004
S 4-3'	S	03-12-12 10:55	3 - 3 ft	438611-005
S 4-4'	S	03-12-12 11:45	4 - 4 ft	438611-006
S 5-5'	S	03-12-12 11:45	5 - 5 ft	438611-007
S 5-6'	S	03-12-12 11:45	6 - 6 ft	438611-008
S 5-7'	S	03-12-12 11:45	7 - 7 ft	438611-009
S 5-8'	S	03-12-12 11:45	8 - 8 ft	438611-010
S 6-3'	S	03-12-12 11:30	3 - 3 ft	438611-011
S 6-4'	S	03-12-12 11:30	4 - 4 ft	438611-012



CASE NARRATIVE

Client Name: Yates Petroleum Corporation

Project Name: Loving AIB State # 1



Project ID: 30-015-22889 2/14/12 Rel

Work Order Number: 438611

Report Date: 20-MAR-12

Date Received: 03/13/2012

Sample receipt non conformances and comments:

None

Sample receipt non conformances and comments per sample:

None



Certificate of Analysis Summary 438611

Yates Petroleum Corporation, Artesia, NM



Project Id: 30-015-22889 2/14/12 Release

Contact: Amber Cannon

Project Location: Eddy County

Project Name: Loving AIB State # 1

Date Received in Lab: Tue Mar-13-12 11:40 am

Report Date: 20-MAR-12

Project Manager: Brent Barron II

<i>Analysis Requested</i>	<i>Lab Id:</i>	438611-001	438611-002	438611-003	438611-004	438611-005	438611-006
	<i>Field Id:</i>	S 2-3'	S 2-4'	S 3-3'	S 3-4'	S 4-3'	S 4-4'
	<i>Depth:</i>	3-3 ft	4-4 ft	3-3 ft	4-4 ft	3-3 ft	4-4 ft
	<i>Matrix:</i>	SOIL	SOIL	SOIL	SOIL	SOIL	SOIL
	<i>Sampled:</i>	Mar-12-12 09:55	Mar-12-12 09:55	Mar-12-12 10:55	Mar-12-12 10:55	Mar-12-12 10:55	Mar-12-12 11:45
Anions by E300	<i>Extracted:</i>						
	<i>Analyzed:</i>	Mar-13-12 18:55					
	<i>Units/RL:</i>	mg/kg RL					
Chloride		226 22.1	1280 46.3	399 17.9	188 17.9	225 22.3	707 17.7
Percent Moisture	<i>Extracted:</i>						
	<i>Analyzed:</i>	Mar-13-12 14:30					
	<i>Units/RL:</i>	% RL					
Percent Moisture		5.10 1.00	9.19 1.00	5.90 1.00	5.93 1.00	6.00 1.00	5.25 1.00

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end user of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

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Brent Barron II
Odessa Laboratory Manager



Certificate of Analysis Summary 438611

Yates Petroleum Corporation, Artesia, NM



Project Id: 30-015-22889 2/14/12 Release

Contact: Amber Cannon

Project Location: Eddy County

Project Name: Loving AIB State # 1

Date Received in Lab: Tue Mar-13-12 11:40 am

Report Date: 20-MAR-12

Project Manager: Brent Barron II

<i>Analysis Requested</i>	<i>Lab Id:</i>	438611-007	438611-008	438611-009	438611-010	438611-011	438611-012
	<i>Field Id:</i>	S 5-5'	S 5-6'	S 5-7'	S 5-8'	S 6-3'	S 6-4'
	<i>Depth:</i>	5-5 ft	6-6 ft	7-7 ft	8-8 ft	3-3 ft	4-4 ft
	<i>Matrix:</i>	SOIL	SOIL	SOIL	SOIL	SOIL	SOIL
	<i>Sampled:</i>	Mar-12-12 11:45	Mar-12-12 11:45	Mar-12-12 11:45	Mar-12-12 11:45	Mar-12-12 11:30	Mar-12-12 11:30
Anions by E300	<i>Extracted:</i>						
	<i>Analyzed:</i>	Mar-13-12 18:55	Mar-13-12 18:55	Mar-14-12 18:13	Mar-14-12 18:13	Mar-14-12 18:13	Mar-14-12 18:13
	<i>Units/RL:</i>	mg/kg RL					
Chloride		16100 207	16500 209	9210 209	10400 199	27.4 4.40	48.6 4.39
Percent Moisture	<i>Extracted:</i>						
	<i>Analyzed:</i>	Mar-13-12 14:30					
	<i>Units/RL:</i>	% RL					
Percent Moisture		19.0 1.00	19.8 1.00	19.8 1.00	15.5 1.00	4.60 1.00	4.39 1.00

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end user of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

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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 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 quantitation limit and above the detection limit.
- 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.

* Surrogate recovered outside laboratory control limit.

BRL Below Reporting Limit.

RL Reporting Limit

MDL Method Detection Limit **SDL** Sample Detection Limit **LOD** Limit of Detection

PQL Practical Quantitation Limit **MQL** Method Quantitation Limit **LOQ** Limit of Quantitation

DL Method Detection Limit

NC Non-Calculable

+ NELAC certification not offered for this compound.

* (Next to analyte name or method description) = Outside XENCO's scope of NELAC accreditation

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5332 Blackberry Drive, San Antonio TX 78238	(210) 509-3334	(210) 509-3335
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12600 West I-20 East, Odessa, TX 79765	(432) 563-1800	(432) 563-1713
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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: 3/3/12 11:40
 Lab ID #: 439611
 Initials: WR/AE

Sample Receipt Checklist

1. Samples on ice?	Blue	Water	<u>NO</u>	
2. Shipping container in good condition?	<u>Yes</u>	No	None	
3. Custody seals intact on shipping container (cooler) and bottles?	<u>Yes</u>	No	N/A	
4. Chain of Custody present?	<u>Yes</u>	No		
5. Sample instructions complete on chain of custody?	<u>Yes</u>	No		
6. Any missing / extra samples?	Yes	<u>NO</u>		
7. Chain of custody signed when relinquished / received?	<u>Yes</u>	No		
8. Chain of custody agrees with sample label(s)?	<u>Yes</u>	No		
9. Container labels legible and intact?	<u>Yes</u>	No		
10. Sample matrix / properties agree with chain of custody?	<u>Yes</u>	No		
11. Samples in proper container / bottle?	<u>Yes</u>	No		
12. Samples properly preserved?	<u>Yes</u>	No	N/A	
13. Sample container intact?	<u>Yes</u>	No		
14. Sufficient sample amount for indicated test(s)?	<u>Yes</u>	No		
15. All samples received within sufficient hold time?	<u>Yes</u>	No		
16. Subcontract of sample(s)?	Yes	No	<u>N/A</u>	
17. VOC sample have zero head space?	Yes	No	<u>N/A</u>	
18. Cooler 1 No.	Cooler 2 No.	Cooler 3 No.	Cooler 4 No.	Cooler 5 No.
lbs <u>17</u> °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 439930

for Yates Petroleum Corporation

Project Manager: Amber Cannon

Loving AIB State # 1

30-015-22889 2/14/12 Release

06-APR-12

Collected By: Client



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Texas (T104704215-10-6-TX), Arizona (AZ0765), 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 Phoenix (EPA Lab Code: AZ00901): Arizona (AZ0757)

Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)

Xenco Tucson (EPA Lab code: AZ000989): Arizona (AZ0758)



06-APR-12

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

Reference: XENCO Report No: **439930**
Loving AIB State # 1
Project Address: Eddy County

Amber Cannon:

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 439930. 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. 439930 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

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Sample Cross Reference 439930

Yates Petroleum Corporation, Artesia, NM

Loving AIB State # 1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
S 5-9'	S	03-30-12 08:45	9 - 9 ft	439930-001
S 5-10'	S	03-30-12 08:50	10 - 10 ft	439930-002
S 5-11'	S	03-30-12 08:55	11 - 11 ft	439930-003
S 5-12'	S	03-30-12 09:00	12 - 12 ft	439930-004



CASE NARRATIVE

Client Name: Yates Petroleum Corporation

Project Name: Loving AIB State # 1

Project ID: 30-015-22889 2/14/12 Rel
Work Order Number: 439930

Report Date: 06-APR-12
Date Received: 04/02/2012

Sample receipt non conformances and comments:

None

Sample receipt non conformances and comments per sample:

None



Certificate of Analysis Summary 439930

Yates Petroleum Corporation, Artesia, NM

Project Name: Loving AIB State # 1

Project Id: 30-015-22889 2/14/12 Release

Contact: Amber Cannon

Project Location: Eddy County

Date Received in Lab: Mon Apr-02-12 01:45 pm

Report Date: '06-APR-12

Project Manager: Brent Barron II

<i>Analysis Requested</i>	<i>Lab Id:</i>	439930-001	439930-002	439930-003	439930-004		
	<i>Field Id:</i>	S 5-9'	S 5-10'	S 5-11'	S 5-12'		
	<i>Depth:</i>	9-9 ft	10-10 ft	11-11 ft	12-12 ft		
	<i>Matrix:</i>	SOIL	SOIL	SOIL	SOIL		
	<i>Sampled:</i>	Mar-30-12 08:45	Mar-30-12 08:50	Mar-30-12 08:55	Mar-30-12 09:00		
Anions by E300	<i>Extracted:</i>						
	<i>Analyzed:</i>	Apr-04-12 10:41	Apr-04-12 10:41	Apr-04-12 10:41	Apr-04-12 10:41		
	<i>Units/RL:</i>	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL		
Chloride		58.8 1.02	73.1 1.01	37.9 1.01	62.5 1.03		
Percent Moisture	<i>Extracted:</i>						
	<i>Analyzed:</i>	Apr-02-12 14:10	Apr-02-12 14:10	Apr-02-12 14:10	Apr-02-12 14:10		
	<i>Units/RL:</i>	% RL	% RL	% RL	% RL		
Percent Moisture		17.6 1.00	17.2 1.00	16.8 1.00	18.2 1.00		

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end use of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

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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 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 quantitation limit and above the detection limit.
- 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.

* Surrogate recovered outside laboratory control limit.

BRL Below Reporting Limit.

RL Reporting Limit

MDL Method Detection Limit **SDL** Sample Detection Limit **LOD** Limit of Detection

PQL Practical Quantitation Limit **MQL** Method Quantitation Limit **LOQ** Limit of Quantitation

DL Method Detection Limit

NC Non-Calculable

+ NELAC certification not offered for this compound.

* (Next to analyte name or method description) = Outside XENCO's scope of NELAC accreditation

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6017 Financial Drive, Norcross, GA 30071	(770) 449-8800	(770) 449-5477
3725 E Atlanta Ave, Phoenix, AZ 85040	(602) 437-0330	



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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: 4.2.12 13.45
 Lab ID #: 439930
 Initials: AE

Sample Receipt Checklist

1. Samples on ice?	Blue	Water	<u>(No)</u>	
2. Shipping container in good condition?	<u>(Yes)</u>	No	None	
3. Custody seals intact on shipping container (cooler) and <u>bottles?</u>	<u>(Yes)</u>	No	N/A	
4. Chain of Custody present?	<u>(Yes)</u>	No		
5. Sample instructions complete on chain of custody?	<u>(Yes)</u>	No		
6. Any missing / extra samples?	Yes	<u>(No)</u>		
7. Chain of custody signed when relinquished / received?	<u>(Yes)</u>	No		
8. Chain of custody agrees with sample label(s)?	<u>(Yes)</u>	No		
9. Container labels legible and intact?	<u>(Yes)</u>	No		
10. Sample matrix / properties agree with chain of custody?	<u>(Yes)</u>	No		
11. Samples in proper container / bottle?	<u>(Yes)</u>	No		
12. Samples properly preserved?	<u>(Yes)</u>	No	N/A	
13. Sample container intact?	<u>(Yes)</u>	No		
14. Sufficient sample amount for indicated test(s)?	<u>(Yes)</u>	No		
15. All samples received within sufficient hold time?	<u>(Yes)</u>	No		
16. Subcontract of sample(s)?	Yes	No	<u>(N/A)</u>	
17. VOC sample have zero head space?	Yes	No	<u>(N/A)</u>	
18. Cooler 1 No.	Cooler 2 No.	Cooler 3 No.	Cooler 4 No.	Cooler 5 No.
lbs <u>24.5</u> °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