

MARTIN YATES, III

1912-1985

FRANK W. YATES

1936-1986

S.P. YATES

1914-2008



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

JOHN A. YATES
CHAIRMAN OF THE BOARD
PRESIDENT

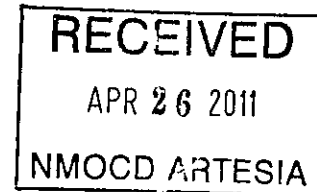
JOHN A. YATES JR.
ASSISTANT TO THE PRESIDENT

JAMES S. BROWN
CHIEF OPERATING OFFICER

JOHN D. PERINI
CHIEF FINANCIAL OFFICER

February 23, 2010

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



Re: Melson ZS Federal #1
30-015-25171
Section 8, T26S-R30E
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 August 30, 2009 (30 bbls of produced water with 5 bbls produced water being recovered). The release was from a water pump being stolen, allowing stock tank to over flow. Samples were taken on 9/17/2009 and sent to an OCD approved laboratory for analysis, based on results (enclosed), impacted soils were excavated to a depth of 18 (eighteen) inches and taken to an NMOCD approved facility. Samples were taken on 2/18/2009 and sent to an OCD approved laboratory for analysis. Analytical results (enclosed) show TPH & BTEX below RRAL's for the site ranking of (0) zero, (enclosed sample diagram and results). Based on impacted soils being excavated/removed and analytical results (chlorides for documentation); Yates Petroleum Corporation requests closure. Upon closure approval Yates will backfill with clean, like soils.

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

Thank you.

YATES PETROLEUM CORPORATION

Robert Asher
Environmental Regulatory Agent

/rca
Enclosure(s)

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

APR 26 2010

NMOCD ARTESIA

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street		Telephone No. 575-748-1471
Facility Name Melson ZS Federal #1	API Number 30-015-25171	Facility Type Battery

Surface Owner Federal	Mineral Owner Federal	Lease No. NM-31649
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LOCATION OF RELEASE

Unit Letter P	Section 8	Township 26S	Range 30E	Feet from the 560	North/South Line South	Feet from the 660	East/West Line East	County Eddy
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Latitude 32.05132 Longitude 103.89634

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 30 B/PW	Volume Recovered 5 B/PW
Source of Release Water Pump	Date and Hour of Occurrence 8/30/2009 AM	Date and Hour of Discovery 8/30/2009 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD District II	
By Whom? Robert Asher/YPC Environmental	Date and Hour 9/1/2009 PM, Voicemail & E-mail	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.*
N/A

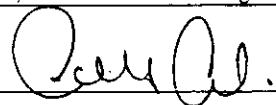
Describe Cause of Problem and Remedial Action Taken.*

Water pump at battery was stolen, causing water tank to overflow. Vacuum truck called.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 60' X 10' inside bermed battery, small amount outside battery. Produced water picked up. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides results for documentation, YPC will delineate to try and show decreasing levels of chlorides). If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. Yates had a contractor excavate/haul 18" of impacted soils from both release areas (inside battery and south of battery), re-sampled on 2/18/2010, results are below RRAL's for the site ranking. Depth to Ground Water: >100' (approximately 173', per the New Mexico Office of the State Engineer), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on impacted soils excavated and enclosed analytical results, Yates Petroleum Corporation requests closure.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date:	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Tuesday, February 23, 2010 Phone: 575-748-4217	2RP-	

* Attach Additional Sheets If Necessary

District I
1625 N. French Dr., Hobbs, NM 88240
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1301 W. Grand Avenue, Artesia, NM 88210
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1000 Rio Brazos Road, Aztec, NM 87410
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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

AKMW 11114011

OPERATOR		<input checked="" type="checkbox"/> Initial Report	<input type="checkbox"/> Final Report
Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher	
Address 104 S. 4 TH Street		Telephone No. 505-748-1471	
Facility Name Melson ZS Federal #1	API Number 30-015-25171	Facility Type Battery	
Surface Owner Federal	Mineral Owner Federal	Lease No. NM-31649	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	8	26S	30E	560	South	660	East	Eddy

Latitude 32.05132 Longitude 103.89634

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 30 B/PW	Volume Recovered 5 B/PW
Source of Release Water Pump	Date and Hour of Occurrence 8/30/2009 AM	Date and Hour of Discovery 8/30/2009 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD District II	
By Whom? Robert Asher/YPC Environmental	Date and Hour 9/1/2009 PM, Voicemail & E-mail	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	
If a Watercourse was Impacted, Describe Fully.* N/A		
Describe Cause of Problem and Remedial Action Taken.* Water pump at battery was stolen, causing water tank to overflow. Vacuum truck called.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 60' X 10' inside bermed battery, small amount outside battery. Produced water picked up. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides results for documentation, YPC will delineate to try and show decreasing levels of chlorides). If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. Depth to Ground Water: >100' (approximately 173', per the New Mexico Office of the State Engineer), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0.		
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.		

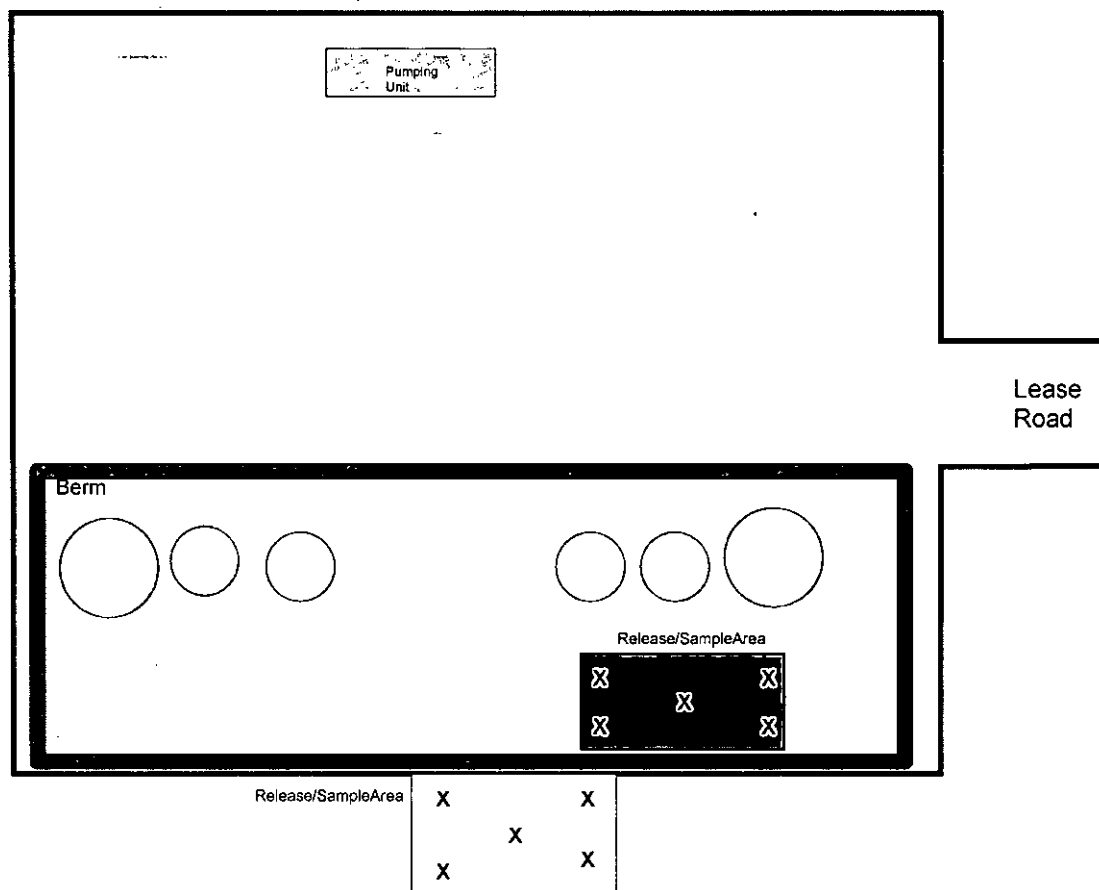
OIL CONSERVATION DIVISION

Signature: <i>Robert Asher</i>	Approved by District Supervisor: Signed By: <i>Mike Bratcher</i>	
Printed Name: Robert Asher	Approval Date: <i>9/21/11</i>	Expiration Date:
Title: Environmental Regulatory Agent	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	
E-mail Address: boba@yatespetroleum.com	Attached <input type="checkbox"/>	
Date: Wednesday, September 09, 2009	Phone: 575-748-4217	

* Attach Additional Sheets If Necessary

5/21/11

2 RP-756



Sample ID	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
GS/Comp-001	Battery Area	9/17/2009	Grab/Auger	4"	ND	ND	897	897	7660
GS/Comp-002	Battery Area	9/17/2009	Grab/Auger	12"	0.1158	ND	8690	8690	2920
GS/Comp-003	Battery Area	9/17/2009	Grab/Auger	18"	0.095	ND	2880	2880	5430
GS/Comp-004	Outside Battery	9/17/2009	Grab/Auger	4"	ND	ND	734	734	7020
GS/Comp-005	Outside Battery	9/17/2009	Grab/Auger	12"	ND	ND	205	205	3140
GS/Comp-006	Outside Battery	9/17/2009	Grab/Auger	18"	ND	ND	ND	ND	493
Sample ID	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
GS/Comp-001	Battery Area	2/18/2010	Grab/Auger	24" BSL	ND	ND	537	537	631
GS/Comp-002	Battery Area	2/18/2010	Grab/Auger	30" BSL	ND	ND	815	815	2410
GS/Comp-003	Outside Battery	2/18/2010	Grab/Auger	24" BSL	ND	ND	21.4	21.4	1010

Site Ranking is Zero (0). Depth to Ground Water >100' (approx. 173', per New Mexico State Engineer Office).
All results are ppm. Chloride results are for documentation. BSL - Below Subsurface Level. X - Sample Points



Melson ZS Federal #1

30-015-25171

Section 8, T26S-R30E

Eddy County, NM

SAMPLE DIAGRAM (Not to Scale)

Xenco Laboratories: #345135 & 345138

Report Date: 9/23/2009

Xenco Laboratories: #362839 & 362840

Report Date: 2/23/2010

Prepared by Robert Asher
Environmental Regulatory Agent

Analytical Report 345135

for

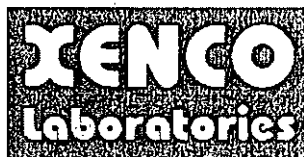
Yates Petroleum Corporation

Project Manager: Robert Asher

Melson ZS Federal #1

30-015-25171

23-SEP-09



12600-West-I-20-East-Odessa,-Texas-79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-08-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 (LAO00308), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87428), North Carolina (483), South Carolina (98015), Utah (AAL11), 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)

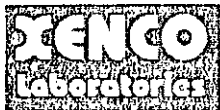
Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-08-TX)

Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-08-TX)

Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370-08-TX)

Xenco-Boca Raton (EPA Lab Code: FL00449): Florida(E86240),

South Carolina(96031001), Louisiana(04154), Georgia(917)



23-SEP-09

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

Reference: XENCO Report No: 345135
Melson ZS Federal #1
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 345135. 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. 345135 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.

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



Sample Cross Reference 345135



Yates Petroleum Corporation, Artesia, NM

Melson ZS Federal #1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-001	S	Sep-17-09 09:48	4 - 4 In	345135-001
GS/Comp-002	S	Sep-17-09 10:01	12 - 12 In	345135-002
GS/Comp-003	S	Sep-17-09 10:20	18 - 18 In	345135-003
GS/Comp-004	S	Sep-17-09 10:33	4 - 4 In	345135-004
GS/Comp-005	S	Sep-17-09 10:47	12 - 12 In	345135-005
GS/Comp-006	S	Sep-17-09 10:59	18 - 18 In	345135-006



CASE NARRATIVE

Client Name: Yates Petroleum Corporation

Project Name: Melson ZS Federal #1

Project ID: 30-015-25171

Work Order Number: 345135

Report Date: 23-SEP-09

Date Received: 09/18/2009

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-773206 Percent Moisture

None

Batch: LBA-773214 Percent Moisture

None

Batch: LBA-773228 BTEX-MTBE EPA 8021B

SW8021BM

Batch 773228, 4-Bromofluorobenzene recovered below QC limits Data not confirmed by re-analysis. Samples affected are: 538250-1-BLK, 345135-005, 345135-006, 345135-004. Matrix Interference is suspected in sample surrogate failures.

SW8021BM

Batch 773228, Ethylbenzene, m,p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 345135-006, -005, -004.

The Laboratory Control Sample for m,p-Xylenes, Ethylbenzene, o-Xylene is within laboratory Control Limits



CASE NARRATIVE

Client Name: Yates Petroleum Corporation

Project Name: Melson ZS Federal #1

Project ID: 30-015-25171

Report Date: 23-SEP-09

Work Order Number: 345135

Date Received: 09/18/2009

*Batch: LBA-773294 BTEX-MTBE EPA 8021B
SW8021BM*

Batch 773294, Benzene, Ethylbenzene, Toluene, m,p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 345135-002, -003, -001.

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

SW8021BM

Batch 773294, 1,4-Difluorobenzene recovered below QC limits. Matrix interferences is suspected; sample data confirmed by re-analysis

Samples affected are: 345135-001 S, 345135-001 SD, 345135-003.

4-Bromofluorobenzene recovered below QC limits Sample Data confirmed by re-analysis.

Samples affected are: 538297-1-BLK, 345135-001.

4-Bromofluorobenzene recovered above QC limits. Sample Data confirmed by re-analysis.

Samples affected are: 345135-002, 345135-003.

Batch: LBA-773698 TPH by SW 8015B

None



Certificate of Analysis Summary 345135

Yates Petroleum Corporation, Artesia, NM

Project Name: Melson ZS Federal #1



Project Id: 30-015-25171

Contact: Robert Asher

Project Location: Eddy County

Date Received in Lab: Fri Sep-18-09 09:58 am

Report Date: 23-SEP-09

Project Manager: Brent Barron, II

Analysis Requested	Lab Id:		345135-001		345135-002		345135-003		345135-004		345135-005		345135-006	
	Field Id:	Depth:	Matrix:	Sampled:	Extracted:	Analyzed:	Units/RL:	Field Id:	Depth:	Matrix:	Sampled:	Extracted:	Analyzed:	Units/RL:
BTEX by EPA 8021B														
Percent Moisture														
TPH By SW8015B Mod														
C6-C10 Gasoline Range Hydrocarbons														
C10-C28 Diesel Range Hydrocarbons														
Total TPH														

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.

Since 1990 Houston - Dallas - San Antonio - Austin - Tampa - Miami - Atlanta - 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 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

* Outside XENCO's scope of NELAC Accreditation.

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9701 Harry Hines Blvd, Dallas, TX 75220
5332 Blackberry Drive, San Antonio TX 78238
2505 North Falkenburg Rd, Tampa, FL 33619
5757 NW 158th St, Miami Lakes, FL 33014
12600 West I-20 East, Odessa, TX 79765
842 Cantwell Lane, Corpus Christi, TX 78408

Phone	Fax
(281) 240-4200	(281) 240-4280
(214) 902 0300	(214) 351-9139
(210) 509-3334	(210) 509-3335
(813) 620-2000	(813) 620-2033
(305) 823-8500	(305) 823-8555
(432) 563-1800	(432) 563-1713
(361) 884-0371	(361) 884-9116

Environmental Lab of Texas
Variance/ Corrective Action Report- Sample Log-In

Client: Yates, Pat
Date/ Time: 11/13/09 9:58
Lab ID #: 3451355/ 345138
Initials: Guid

Sample Receipt Checklist

				Client Initials	
#1	Temperature of container/ cooler?	<u>Yes</u>	No	<u>6</u>	<u>C</u>
#2	Shipping container in good condition?	<u>Yes</u>	No		
#3	Custody Seals intact on shipping container/ cooler?	<u>Yes</u>	No	Not Present	
#4	Custody Seals intact on sample bottles/ container?	<u>Yes</u>	No	Not Present	
#5	Chain of Custody present?	<u>Yes</u>	No		
#6	Sample instructions complete of Chain of Custody?	<u>Yes</u>	No		
#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	ID written on Cont / Lid	
#9	Container label(s) legible and intact?	<u>Yes</u>	No	Not Applicable	
#10	Sample matrix/ properties agree with Chain of Custody?	<u>Yes</u>	No		
#11	Containers supplied by ELOT?	<u>Yes</u>	No		
#12	Samples in proper container/ bottle?	<u>Yes</u>	No	See Below	
#13	Samples properly preserved?	<u>Yes</u>	No	See Below	
#14	Sample bottles intact?	<u>Yes</u>	No		
#15	Preservations documented on Chain of Custody?	<u>Yes</u>	No		
#16	Containers documented on Chain of Custody?	<u>Yes</u>	No		
#17	Sufficient sample amount for Indicated test(s)?	<u>Yes</u>	No	See Below	
#18	All samples received within sufficient hold time?	<u>Yes</u>	No	See Below	
#19	Subcontract of sample(s)?	<u>Yes</u>	No	Not Applicable	
#20	VOC samples have zero headspace?	<u>Yes</u>	No	Not Applicable	

Variance Documentation

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

Regarding: _____

Corrective Action Taken: _____

- Check all that Apply:
- ☐ See attached e-mail/ fax
 - ☐ Client understands and would like to proceed with analysis
 - ☐ Cooling process had begun shortly after sampling event

Analytical Report 345138

for

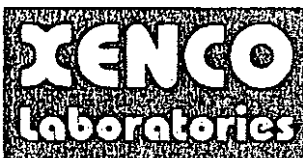
Yates Petroleum Corporation

Project Manager: Robert Asher

Melson ZS Federal #1

30-015-25171

23-SEP-09



12600-West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-08-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 (LAO00308), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87428), 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 (T104704400-08-TX)

Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-08-TX)

Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370-08-TX)

Xenco-Boca Raton (EPA Lab Code: FL00449): Florida (E86240),

South Carolina (96031001), Louisiana (04154), Georgia (917)



Sample Cross Reference 345138



Yates Petroleum Corporation, Artesia, NM

Melson ZS Federal #1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-001	S	Sep-17-09 09:48	4 - 4 In	345138-001
GS/Comp-002	S	Sep-17-09 10:01	12 - 12 In	345138-002
GS/Comp-003	S	Sep-17-09 10:20	18 - 18 In	345138-003
GS/Comp-004	S	Sep-17-09 10:33	4 - 4 In	345138-004
GS/Comp-005	S	Sep-17-09 10:47	12 - 12 In	345138-005
GS/Comp-006	S	Sep-17-09 10:59	18 - 18 In	345138-006



CASE NARRATIVE

Client Name: Yates Petroleum Corporation

Project Name: Melson ZS Federal #1

Project ID: 30-015-25171

Work Order Number: 345138

Report Date: 23-SEP-09

Date Received: 09/18/2009

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-773214 Percent Moisture

None

Batch: LBA-773259 Inorganic Anions by EPA 300
E300MI

Batch 773259, Chloride recovered above QC limits in the Matrix Spike.

Samples affected are: 345138-001, -002, -005, -003, -004, -006.

The Laboratory Control Sample for Chloride 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 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.

* Outside XENCO's scope of NELAC Accreditation.

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2505 North Falkenburg Rd, Tampa, FL 33619
5757 NW 158th St, Miami Lakes, FL 33014
12600 West I-20 East, Odessa, TX 79765
842 Cantwell Lane, Corpus Christi, TX 78408

Phone	Fax
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(214) 902 0300	(214) 351-9139
(210) 509-3334	(210) 509-3335
(813) 620-2000	(813) 620-2033
(305) 823-8500	(305) 823-8555
(432) 563-1800	(432) 563-1713
(361) 884-0371	(361) 884-9116

Environmental Lab of Texas

A Xerox Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

17860 West 120 East
Oklahoma, Texas 79765
Phone: 412-563-1800
Fax: 412-563-1713

Project Manager: Robert Asher

Company Name: Yates Petroleum Corporation

Company Address: 105 South 4th Street

City/State/Zip: Atlanta, NM. 88210

Telephone No.: 805-748-4217

Sample Signature: *[Signature]*

Fax No.: 805-748-4682

E-mail: bobba@yatespetroleum.com

Project Name: Mission ZS Federal #1

Project #: 30-D15-25171

Project Loc: East, Center

PO #: 105032

Report Format: ☐ Standard ☐ TSP

Special Instructions: TPH: 8015B; BTEX: 8021B & Chlorides. Please show BTEX results as mg/kg. Thank you.

Field Code	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Matrix	Analysis For
001	4"	4"	9/17/2009	9:48 AM	Soil	TPH, 8015B, BTEX, 8021B, Chlorides
002	12"	12"	9/17/2009	10:01 AM	Soil	TPH, 8015B, BTEX, 8021B, Chlorides
003	18"	18"	9/17/2009	10:20 AM	Soil	TPH, 8015B, BTEX, 8021B, Chlorides
004	4"	4"	9/17/2009	10:33 AM	Soil	TPH, 8015B, BTEX, 8021B, Chlorides
005	12"	12"	9/17/2009	10:47 AM	Soil	TPH, 8015B, BTEX, 8021B, Chlorides
006	18"	18"	9/17/2009	10:59 AM	Soil	TPH, 8015B, BTEX, 8021B, Chlorides
PLEASE PUT CHLORIDES						
ON SEPARATE REPORT						
Special Instructions: TPH: 8015B; BTEX: 8021B & Chlorides. Please show BTEX results as mg/kg. Thank you.						
Requisitioned by: <i>BA/UPC</i>	Date: 9/17/2009	Time: 2:29 PM	Received by: <i>[Signature]</i>	Date: 9/17/2009	Time: 9:58 AM	Requisitioned by: <i>[Signature]</i>
Requisitioned by: <i>[Signature]</i>	Date: 9/17/2009	Time: 9:58 AM	Received by: <i>[Signature]</i>	Date: 9/17/2009	Time: 9:58 AM	Requisitioned by: <i>[Signature]</i>

Environmental Lab of Texas
Variance/ Corrective Action Report- Sample Log-In

Client: Yates, Pat
Date/ Time: 2/15/09 9:38
Lab ID #: 3451355/ 345133
Initials: AMT

Sample Receipt Checklist

				Client Initials	
#1	Temperature of container/ cooler?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<u>4</u>	<u>C</u>
#2	Shipping container in good condition?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#3	Custody Seals intact on shipping container/ cooler?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not Present	
#4	Custody Seals intact on sample bottles/ container?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not Present	
#5	Chain of Custody present?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#6	Sample instructions complete of Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#7	Chain of Custody signed when relinquished/ received?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#8	Chain of Custody agrees with sample label(s)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	ID written on Cont./ Lid	
#9	Container label(s) legible and intact?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not Applicable	
#10	Sample matrix/ properties agree with Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#11	Containers supplied by ELOT?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#12	Samples in proper container/ bottle?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	See Below	
#13	Samples properly preserved?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	See Below	
#14	Sample bottles intact?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#15	Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#16	Containers documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
#17	Sufficient sample amount for indicated test(s)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	See Below	
#18	All samples received within sufficient hold time?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	See Below	
#19	Subcontract of sample(s)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not Applicable	
#20	VOC samples have zero headspace?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not Applicable	

Variance Documentation

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

Regarding: _____

Corrective Action Taken: _____

- Check all that Apply:
- ☐ See attached e-mail/ fax
 - ☐ Client understands and would like to proceed with analysis
 - ☐ Cooling process had begun shortly after sampling event

Analytical Report 362839

for

Yates Petroleum Corporation

Project Manager: Robert Asher

Melson ZS Federal # 1

30-015-25171

23-FEB-10



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-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: FL00449):

Florida(E86240),South Carolina(96031001), Louisiana(04154), Georgia(917)
North Carolina(444), Texas(T104704468-TX), Illinois(002295)



23-FEB-10

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

Reference: XENCO Report No: **362839**
Melson ZS Federal # 1
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 362839. 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. 362839 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 362839



Yates Petroleum Corporation, Artesia, NM

Melson ZS Federal # 1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-001	S	Feb-18-10 10:34	24 - 24 In	362839-001
GS/Comp-002	S	Feb-18-10 10:47	30 - 30 In	362839-002
GS/Comp-003	S	Feb-18-10 11:03	6 - 6 In	362839-003



CASE NARRATIVE

Client Name: Yates Petroleum Corporation

Project Name: Melson ZS Federal # 1

Project ID: 30-015-25171

Work Order Number: 362839

Report Date: 23-FEB-10

Date Received: 02/19/2010

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-794718 TPH by SW 8015B
SW8015B_NM

Batch 794718, C10-C28 Diesel Range Hydrocarbons recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 362839-001, -002, -003.

The Laboratory Control Sample for C10-C28 Diesel Range Hydrocarbons is within laboratory Control Limits

Batch: LBA-794783 Percent Moisture

None

Batch: LBA-794998 BTEX by EPA 8021
SW8021BM

Batch 794998, Benzene, Ethylbenzene, Toluene, m,p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 362839-001, -002, -003.

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



Certificate of Analysis Summary 362839

Yates Petroleum Corporation, Artesia, NM

Project Id: 30-015-25171
Contact: Robert Asher
Project Location: Eddy County

Project Name: Melson ZS Federal # 1

Date Received in Lab: Fri Feb-19-10 09:35 am

Report Date: 23-FEB-10

Project Manager: Brent Barron, II

Analysis Requested	Lab Id:	362839-001	362839-002	362839-003		
	Field Id:	GS/Comp-001	GS/Comp-002	GS/Comp-003		
	Depth:	24-24 In	30-30 In	6-6 In		
	Matrix:	SOIL	SOIL	SOIL		
	Sampled:	Feb-18-10 10:34	Feb-18-10 10:47	Feb-18-10 11:03		
BTX by EPA 8021	Extracted:	Feb-22-10 17:05	Feb-22-10 17:05	Feb-22-10 17:05		
	Analyzed:	Feb-23-10 03:51	Feb-23-10 04:13	Feb-23-10 04:35		
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL		
		ND 0.0012	ND 0.0011	ND 0.0012		
		ND 0.0023	ND 0.0023	ND 0.0023		
Benzene		ND 0.0012	ND 0.0011	ND 0.0012		
Toluene		ND 0.0023	ND 0.0023	ND 0.0023		
Ethylbenzene		ND 0.0012	ND 0.0011	ND 0.0012		
m,p-Xylenes		ND 0.0023	ND 0.0023	ND 0.0023		
o-Xylene		ND 0.0012	ND 0.0011	ND 0.0012		
Xylenes, Total		ND 0.0012	ND 0.0011	ND 0.0012		
Total BTX		ND 0.0012	ND 0.0011	ND 0.0012		
Percent Moisture	Extracted:					
	Analyzed:	Feb-19-10 17:00	Feb-19-10 17:00	Feb-19-10 17:00		
	Units/RL:	% RL	% RL	% RL		
		13.7 1.00	12.4 1.00	15.1 1.00		
TPH by SW 8015B	Extracted:	Feb-19-10 11:45	Feb-19-10 11:45	Feb-19-10 11:45		
	Analyzed:	Feb-20-10 06:08	Feb-20-10 06:35	Feb-20-10 07:03		
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL		
		ND 17.4	ND 85.5	ND 17.7		
C6-C10 Gasoline Range Hydrocarbons		537 17.4	815 85.5	21.4 17.7		
C10-C28 Diesel Range Hydrocarbons		537 17.4	815 85.5	21.4 17.7		
Total TPH		537 17.4	815 85.5	21.4 17.7		

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

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5332 Blackberry Drive, San Antonio TX 78238	(210) 509-3334	(210) 509-3335
2505 North Falkenburg Rd, Tampa, FL 33619	(813) 620-2000	(813) 620-2033
5757 NW 158th St, Miami Lakes, FL 33014	(305) 823-8500	(305) 823-8555
12600 West I-20 East, Odessa, TX 79765	(432) 563-1800	(432) 563-1713
842 Cantwell Lane, Corpus Christi, TX 78408	(361) 884-0371	(361) 884-9116

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

**12600 West I-20 East
Odessa, Texas 79765**

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

Project Name: Melson ZS Federal #1

Project #: 30-015-25171

Project Loc: Eddy County

PO #: 105632

Fax No: 505-748-4662

boba@yatespetroleum.com

Final Ver. 1.000

Environmental Lab of Texas
Variance/ Corrective Action Report- Sample Log-In

Client: Vates Petroleum
Date/ Time: 2-19-10 9:35
Lab ID #: 362839 / 362840
Initials: AL

Sample Receipt Checklist

Client Initials

#1 Temperature of container/ cooler?	(Yes)	No	4.6 °C	
#2 Shipping container in good condition?	(Yes)	No		
#3 Custody Seals intact on shipping container/ cooler?	(Yes)	No	Not Present	
#4 Custody Seals intact on sample bottles/ container?	(Yes)	No	Not Present	
#5 Chain of Custody present?	(Yes)	No		
#6 Sample instructions complete of Chain of Custody?	(Yes)	No		
#7 Chain of Custody signed when relinquished/ received?	(Yes)	No		
#8 Chain of Custody agrees with sample label(s)?	(Yes)	No	ID written on Cont/ Lid	
#9 Container label(s) legible and intact?	(Yes)	No	Not Applicable	
#10 Sample matrix/ properties agree with Chain of Custody?	(Yes)	No		
#11 Containers supplied by ELOT?	(Yes)	No		
#12 Samples in proper container/ bottle?	(Yes)	No	See Below	
#13 Samples properly preserved?	(Yes)	No	See Below	
#14 Sample bottles intact?	(Yes)	No		
#15 Preservations documented on Chain of Custody?	(Yes)	No		
#16 Containers documented on Chain of Custody?	(Yes)	No		
#17 Sufficient sample amount for indicated test(s)?	(Yes)	No	See Below	
#18 All samples received within sufficient hold time?	(Yes)	No	See Below	
#19 Subcontract of sample(s)?	Yes	No	Not Applicable	
#20 VOC samples have zero headspace?	(Yes)	No	Not Applicable	

Variance Documentation

Contact _____ Contacted by: _____ Date/ Time: _____

Regarding: _____

Corrective Action Taken:

- Check all that Apply:
- ☐ See attached e-mail/ fax
 - ☐ Client understands and would like to proceed with analysis
 - ☐ Cooling process had begun shortly after sampling event

Analytical Report 362840

for

Yates Petroleum Corporation

Project Manager: Robert Asher

Melson ZS Federal # 1

30-015-25171

23-FEB-10



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-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 (AAL11), 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: FL00449):

Florida (E86240), South Carolina (96031001), Louisiana (04154), Georgia (917)

North Carolina (444), Texas (T104704468-TX), Illinois (002295)



23-FEB-10

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

Reference: XENCO Report No: 362840
Melson ZS Federal # 1
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 362840. 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. 362840 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 362840



Yates Petroleum Corporation, Artesia, NM

Melson ZS Federal # 1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-001	S	Feb-18-10 10:34	24 - 24 In	362840-001
GS/Comp-002	S	Feb-18-10 10:47	30 - 30 In	362840-002
GS/Comp-003	S	Feb-18-10 11:03	6 - 6 In	362840-003



CASE NARRATIVE

Client Name: Yates Petroleum Corporation

Project Name: Melson ZS Federal # 1



Project ID: 30-015-25171

Work Order Number: 362840

Report Date: 23-FEB-10

Date Received: 02/19/2010

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-794783 Percent Moisture

None

Batch: LBA-794973 Inorganic Anions by EPA 300

None



Certificate of Analysis Summary 362840

Yates Petroleum Corporation, Artesia, NM

Project Name: Melson ZS Federal # 1

Project Id: 30-015-25171

Contact: Robert Asher

Project Location: Eddy County

Date Received in Lab: Fri Feb-19-10 09:35 am

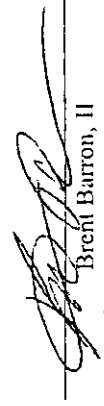
Report Date: 23-FEB-10

Project Manager: Brent Barron, II

Analysis Requested		Lab Id:	362840-001	362840-002	362840-003		
Field Id:			GS/Comp-001	GS/Comp-002	GS/Comp-003		
Depth:			24-24 In	30-30 In	6-6 In		
Matrix:			SOIL	SOIL	SOIL		
Sampled:			Feb-18-10 10:34	Feb-18-10 10:47	Feb-18-10 11:03		
Extracted:			Feb-22-10 19:16	Feb-22-10 19:16	Feb-22-10 19:16		
Anions in Soil By EPA 300.0							
Analyzed:			mg/kg RL	mg/kg RL	mg/kg RL		
Units/RL:			631 19.5	2410 48.0	1010 49.5		
Chloride							
Percent Moisture							
Extracted:			Feb-19-10 17:00	Feb-19-10 17:00	Feb-19-10 17:00		
Analyzed:			% RL	% RL	% RL		
Units/RL:			13.7 1.00	12.4 1.00	15.1 1.00		
Percent Moisture							

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, under 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 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

* Outside XENCO's scope of NELAC Accreditation.

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(305) 823-8500	(305) 823-8555
(432) 563-1800	(432) 563-1713
(361) 884-0371	(361) 884-9116

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

Project Name: Melson ZS Federal #1

Project #: 30-015-25171

Project Loc: Eddy County

PO #: 105632

Fax No: 505-748-4652

boba@yatespetroleum.com

Final Ver. 1.000

Environmental Lab of Texas
Variance/ Corrective Action Report- Sample Log-In

Client: Vates Petroleum
Date/ Time: 2-19-10 9:35
Lab ID #: 362839 / 362840
Initials: AL

Sample Receipt Checklist

Client Initials

#1	Temperature of container/ cooler?	(Yes)	No	4.6 °C	
#2	Shipping container in good condition?	(Yes)	No		
#3	Custody Seals intact on shipping container/ cooler?	(Yes)	No	Not Present	
#4	Custody Seals intact on sample bottles/ container?	(Yes)	No	Not Present	
#5	Chain of Custody present?	(Yes)	No		
#6	Sample instructions complete of Chain of Custody?	(Yes)	No		
#7	Chain of Custody signed when relinquished/ received?	(Yes)	No		
#8	Chain of Custody agrees with sample label(s)?	(Yes)	No	ID written on Cont/ Lid	
#9	Container label(s) legible and intact?	(Yes)	No	Not Applicable	
#10	Sample matrix/ properties agree with Chain of Custody?	(Yes)	No		
#11	Containers supplied by ELOT?	(Yes)	No		
#12	Samples in proper container/ bottle?	(Yes)	No	See Below	
#13	Samples properly preserved?	(Yes)	No	See Below	
#14	Sample bottles intact?	(Yes)	No		
#15	Preservations documented on Chain of Custody?	(Yes)	No		
#16	Containers documented on Chain of Custody?	(Yes)	No		
#17	Sufficient sample amount for indicated test(s)?	(Yes)	No	See Below	
#18	All samples received within sufficient hold time?	(Yes)	No	See Below	
#19	Subcontract of sample(s)?	Yes	No	Not Applicable	
#20	VOC samples have zero headspace?	(Yes)	No	Not Applicable	

Variance Documentation

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

Regarding: _____

Corrective Action Taken: _____

Check all that Apply:

- ☐ See attached e-mail/ fax
☐ Client understands and would like to proceed with analysis
☐ Cooling process had begun shortly after sampling event