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

April 13, 2010

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

Re: Dagger Draw Gas System
Section 24, T19S-R24E
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 December 16, 2009 (approximately 40 bbls of oil and 10 bbls of produced water with approximately 38 bbls of oil and 7 bbls produced water being recovered). The release was from a pressure build up in a buried 12" PVC gas line (possible bad collar failure). Samples were taken on 2/2/2010 and sent to an NMOCD approved laboratory for analysis (chlorides for documentation), based on results (enclosed with a sample diagram), a work plan was developed and submitted to address the impacted soils on the fee surface by remediation in-place and excavate and haul the impacted soils in the draw area. Further samples were taken on 4/1/2010 (draw area) and sent to an NMOCD approved laboratory for analysis, based on results (enclosed with a sample diagram) the levels of TPH & BTEX are below RRAL's for the site ranking of (0) zero, Yates Petroleum Corporation requests closure (permission to backfill was given on 4/12/2010). Yates will continue to remediate the fee surface for an additional sixty (60) days, but may be longer if needed.

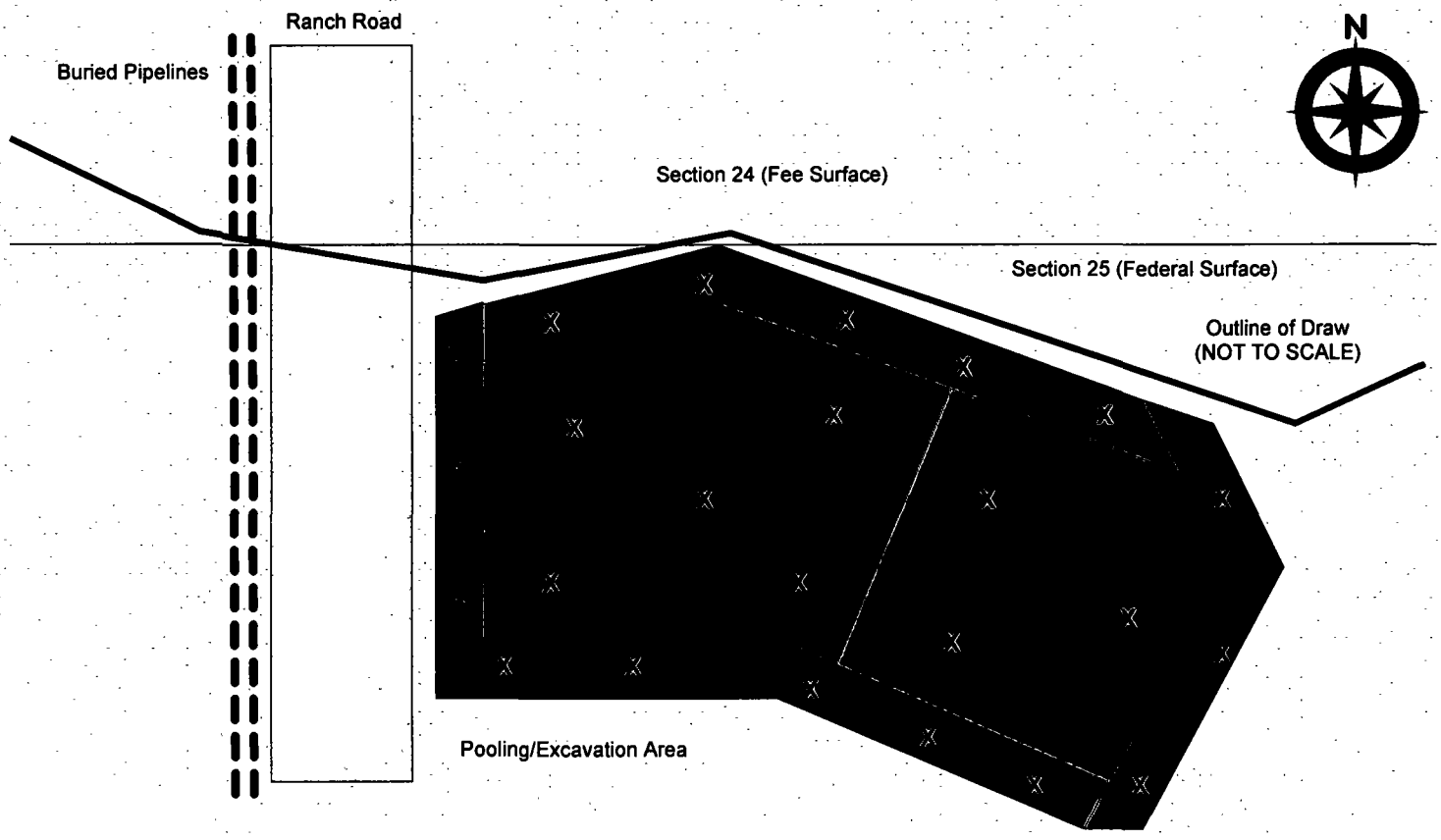
If you have any questions, please call me at 575-748-4217.

Thank you.

YATES PETROLEUM CORPORATION

Robert Asher
Environmental Regulatory Agent

/rca
Enclosure(s)



Sample ID	Sample Area	Sample Date	Sample Type	Depth (BSL)	BTEX	GRO	DRO	TOTAL
[illegible]	Draw	4/1/2010	Grab	4-6'	0.0010	ND	294	294
[illegible]	Draw	4/1/2010	Grab	4-6'	0.0011	ND	ND	ND
[illegible]	Draw	4/1/2010	Grab	4-6'	0.0011	21.4	466	487.4
CS/Comp 004	Draw	4/1/2010	Grab	4-6'	0.2791	70.7	211	281.7
[illegible]	Draw	4/1/2010	Grab	6-8'	0.0081	42.7	261	303.7
	Draw	4/1/2010	Grab	6-7'	ND	ND	38	38

Site Ranking is Zero (0). Depth to Ground Water >100' (approx. 322', per New Mexico State Engineer Office).
All results are ppm. BSL - Below Subsurface Level. **X - Sample Points**

YATES PETROLEUM CORPORATION

Dagger Draw Gas System

Section 24, T19S-R24E

Eddy County, NM

SAMPLE DIAGRAM (Not to Scale)

Xenco Report #: 367802
Report Date: 4/8/2010

Prepared by Robert Asher
Environmental Regulatory Agent

Analytical Report 367802

for

Yates Petroleum Corporation

Project Manager: Robert Asher

Dagger Draw Gas System Line

30-015-DDGSL

08-APR-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)

XENCO Laboratories

08-APR-10

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

Reference: XENCO Report No: **367802**
Dagger Draw Gas System Line
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 367802. 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. 367802 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

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

Respectfully,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 367802

Yates Petroleum Corporation, Artesia, NM

Dagger Draw Gas System Line

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-001	S	Apr-01-10 09:53	4 - 6 ft	367802-001
GS/Comp-002	S	Apr-01-10 09:58	4 - 6 ft	367802-002
GS/Comp-003	S	Apr-01-10 10:10	4 - 6 ft	367802-003
GS/Comp-004	S	Apr-01-10 10:17	4 - 6 ft	367802-004
GS/Comp-005	S	Apr-01-10 10:26	6 - 8 ft	367802-005
GS/Comp-006	S	Apr-01-10 10:34	6 - 7 ft	367802-006

CASE NARRATIVE

Client Name: Yates Petroleum Corporation
Project Name: Dagger Draw Gas System Line

Project ID:	*30-015-DDGSL*	*Report Date:*	*08-APR-10*
Work Order Number:	*367802*	*Date Received:*	*04/02/2010*

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-800988 Percent Moisture
AD2216A
Batch 800988, Percent Moisture RPD is outside the QC limit. This is most likely due to sample non-homogeneity.
Samples affected are: 367802-001, -003, -006, -002, -005, -004.

Batch: LBA-801002 TPH by SW 8015B
SW8015B_NM

Batch 801002, o-Terphenyl recovered above QC limits . Matrix interferences is suspected; data not confirmed by re-analysis
Samples affected are: 367802-006 SD,367802-003.

Batch: LBA-801206 BTEX by EPA 8021
SW8021BM

Batch 801206, 1,4-Difluorobenzene recovered below QC limits . Matrix interferences is suspected; data not confirmed by re-analysis
Samples affected are: 367802-002.
4-Bromofluorobenzene recovered above QC limits . Matrix interferences is suspected; data confirmed by re-analysis
Samples affected are: 367432-001 D.

SW8021BM
Batch 801206, Ethylbenzene, m,p-Xylenes , o-Xylene RPD is outside the QC limit. This is most likely due to sample non-homogeneity.
Samples affected are: 367802-001, -006, -002.

CASE NARRATIVE

XENCO Laboratories

Client Name: Yates Petroleum Corporation
Project Name: Dagger Draw Gas System Line

Project ID: 30-015-DDGSL
Work Order Number: 367802

Report Date: 08-APR-10
Date Received: 04/02/2010

Batch: LBA-801435 BTEX by EPA 8021
SW8021BM

Batch 801435, 4-Bromofluorobenzene recovered above QC limits . Matrix interferences is suspected; data confirmed by re-analysis
Samples affected are: 367802-005,367802-004.

SW8021BM

Batch 801435, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.
Samples affected are: 367802-003, -005, -004.
The Laboratory Control Sample for o-Xylene is within laboratory Control Limits

Certificate of Analysis Summary 367802

Yates Petroleum Corporation, Artesia, NM

Project Name: Dagger Draw Gas System Line

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

Date Received in Lab: Fri Apr-02-10 09:20 am
Report Date: 08-APR-10
Project Manager: Brent Barron, II

Analysis Requested													
	Lab Id:	367802-001		367802-002		367802-003		367802-004		367802-005		367802-006	
	Field Id:	GS/Comp-001		GS/Comp-002		GS/Comp-003		GS/Comp-004		GS/Comp-005		GS/Comp-006	
	Depth:	4-6 ft		4-6 ft		4-6 ft		4-6 ft		6-8 ft		6-7 ft	
	Matrix:	SOIL		SOIL		SOIL		SOIL		SOIL		SOIL	
	Sampled:	Apr-01-10 09:53		Apr-01-10 09:58		Apr-01-10 10:10		Apr-01-10 10:17		Apr-01-10 10:26		Apr-01-10 10:34	
BTEX by EPA 8021	*Extracted:*	Apr-06-10 07:30		Apr-06-10 07:30		Apr-07-10 13:40		Apr-07-10 13:40		Apr-07-10 13:40		Apr-06-10 07:30	
	Analyzed:	Apr-06-10 16:21		Apr-06-10 17:07		Apr-08-10 04:44		Apr-08-10 05:06		Apr-08-10 05:29		Apr-06-10 16:44	
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL
Benzene		ND	0.0010	ND	0.0011	ND	0.0011	ND	0.0010	ND	0.0010	ND	0.0011
Toluene		ND	0.0021	ND	0.0021	ND	0.0022	0.0092	0.0021	ND	0.0020	ND	0.0021
Ethylbenzene		ND	0.0010	ND	0.0011	ND	0.0011	0.0220	0.0010	ND	0.0010	ND	0.0011
m,p-Xylenes		ND	0.0021	ND	0.0021	ND	0.0022	0.1720	0.0021	0.0050	0.0020	ND	0.0021
o-Xylene		ND	0.0010	ND	0.0011	ND	0.0011	0.0759	0.0010	0.0031	0.0010	ND	0.0011
Xylenes, Total		ND	0.0010	ND	0.0011	ND	0.0011	0.2479	0.0010	0.0081	0.0010	ND	0.0011
Total BTEX		ND	0.0010	ND	0.0011	ND	0.0011	0.2791	0.0010	0.0081	0.0010	ND	0.0011
Percent Moisture	*Extracted:*												
	Analyzed:	Apr-02-10 17:00		Apr-02-10 17:00		Apr-02-10 17:00		Apr-02-10 17:00		Apr-02-10 17:00		Apr-02-10 17:00	
	Units/RL:	%	RL	%	RL	%	RL	%	RL	%	RL	%	RL
Percent Moisture		1.95	1.00	6.84	1.00	7.79	1.00	2.70	1.00	2.13	1.00	5.29	1.00
TPH by SW 8015B	*Extracted:*	Apr-02-10 12:00		Apr-02-10 12:00		Apr-02-10 12:00		Apr-02-10 12:00		Apr-02-10 12:00		Apr-02-10 12:00	
	Analyzed:	Apr-03-10 01:52		Apr-03-10 02:18		Apr-03-10 02:46		Apr-03-10 03:13		Apr-03-10 03:40		Apr-03-10 04:07	
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL
C6-C10 Gasoline Range Hydrocarbons		ND	15.3	ND	16.0	21.4	16.3	70.7	15.5	42.7	15.3	ND	15.8
C10-C28 Diesel Range Hydrocarbons		294	15.3	ND	16.0	466	16.3	211	15.5	261	15.3	38.0	15.8
Total TPH		294	15.3	ND	16.0	487	16.3	282	15.5	304	15.3	38.0	15.8

Brent Barron, II
Odessa Laboratory Manager

Final Ver. 1.000

XENCO Laboratories

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.

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

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

Project Manager: Robert Asher

Company Name: Yates Petroleum Corporation

Company Address: 105 South 4th Street

City/State/Zip: Artesia, NM 88210

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

Sampler Signature:

e-mail: boba@yatespetroleum.com

Project Name: Dagger Draw Gas System Line

Project #: 30-015-DDGSL

Project Loc: Eddy County

PO #: 105632

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

(lab use only)

ORDER #: 301802

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO3	HCl	H2SO4	NaOH	Na2S2O3	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge	GW = Groundwater S=Soil/Solid	NP=Non-Potable Specify Other	Analyze For: TCLP: TPH: 418.1 8015M 8015B	TOTAL: TPH: TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N.O.R.M.	Chlorides	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	GS/Comp-001	4'	6'	4/1/2010	9:53 AM			X									S		X								X					X
02	GS/Comp-002	4'	6'	4/1/2010	9:58 AM			X									S		X								X					X
03	GS/Comp-003	4'	6'	4/1/2010	10:10 AM			X									S		X								X					X
04	GS/Comp-004	4'	6'	4/1/2010	10:17 AM			X									S		X								X					X
05	GS/Comp-005	6'	8'	4/1/2010	10:26 AM			X									S		X								X					X
06	GS/Comp-006	6'	7'	4/1/2010	10:34 AM			X									S		X								X					X

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

Relinquished by:	Date	Time	Received by:	Date	Time
Robert Asher	04/01/10	3:19 PM			
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by: Federal	Date	Time	Received by ELOT: Cindy Sam	Date 4-2-10	Time 9:20

Laboratory Comments:

VOCs Free of Headspace? Y N

Custody seals on container(s) Y N

Sample Hand Delivered by Sampler/Client Rep. ? Y N

by Courier? UPS DHL FedEx Lone Star

Yorglass

Temperature Upon Receipt: 4.1 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Yates Petroleum

Date/ Time: 4.2.10 9:20

Lab ID #: 367802

Initials: AL

Sample Receipt Checklist

					Client Initials
#1	Temperature of container/ cooler?	(Yes)	No	4.1 °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

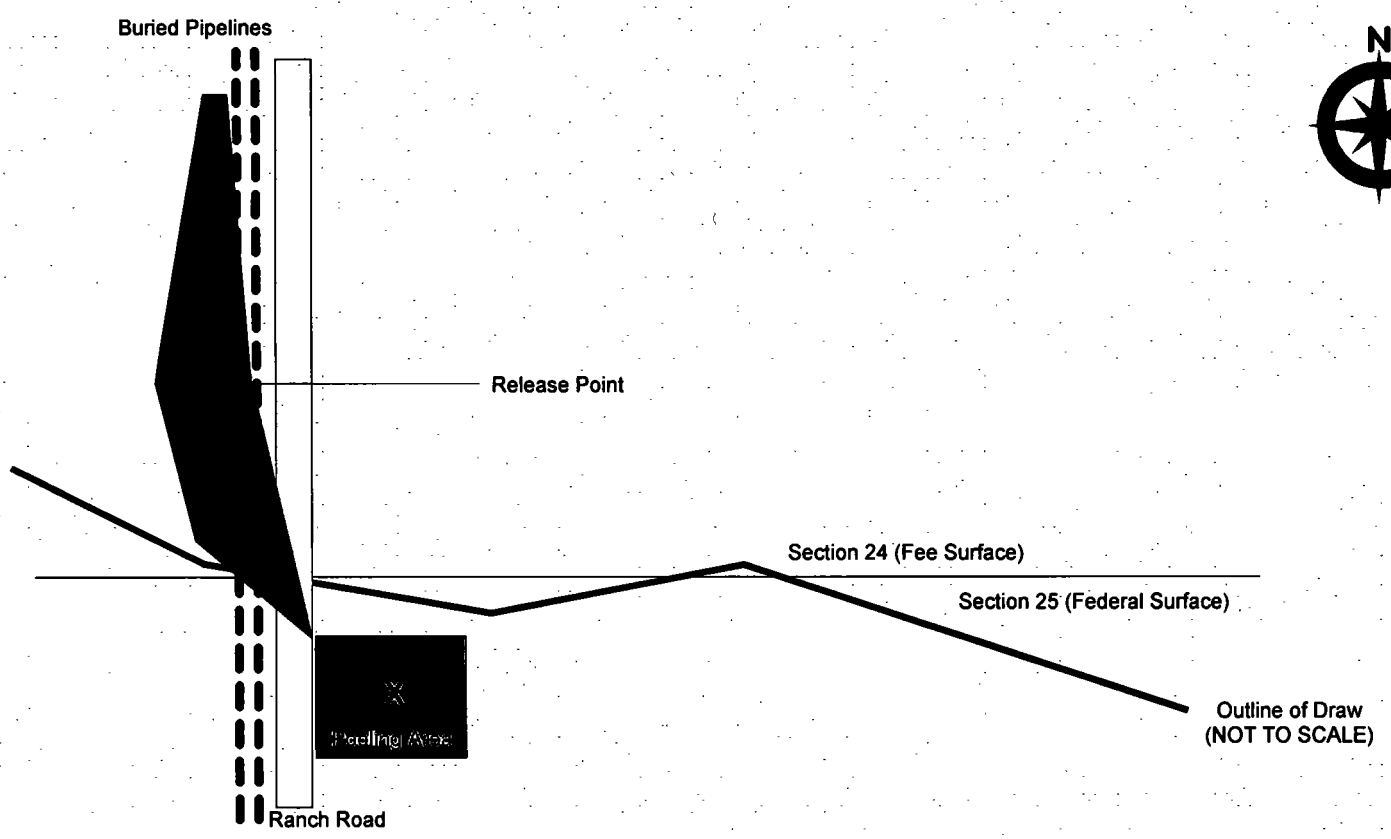
Contact: _____ Contacted by: _____ Date/ Time: _____

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



Sample ID	Sample Area	Sample Date	Sample Type	Depth (BSL)	BTEX	GRO	DRO	TOTAL	Chlorides
	North Side	2/2/2010	Grab	1'	39.25	1930	3040	4970	19
	North Side	2/2/2010	Grab	2'	0.3792	85.9	429	514.9	61.4
	North Side	2/2/2010	Grab	3'	0.0014	ND	49.9	49.9	9.34
	South Side	2/2/2010	Grab	1'	0.5842	294	1180	1474	56.1
	South Side	2/2/2010	Grab	2'	0.3072	117	467	584	103
	South Side	2/2/2010	Grab	3'	ND	ND	49.9	49.9	12.3
Sample ID	Sample Area	Sample Date	Sample Type	Depth (BSL)	BTEX	GRO	DRO	TOTAL	Chlorides
	Draw	2/2/2010	Grab	1'	37.40	2050	3700	5750	11.9
	Draw	2/2/2010	Grab	2'	128.86	5540	6240	11780	56.9
	Draw	2/2/2010	Grab	3'	88.79	2170	4870	7040	62.1
	Draw	2/25/2010	Grab	4'	139.30	3220	3190	6410	38.5
	Draw	2/25/2010	Grab	5'	73.58	2840	3310	6150	48.5
	Draw	2/25/2010	Grab	6'	113.82	2640	2660	5300	38.2

Site Ranking is Zero (0). Depth to Ground Water >100' (approx. 322', per New Mexico State Engineer Office).
All results are ppm. Chloride results are for documentation. BSL - Below Subsurface Level. **X - Sample Points**

YATES PETROLEUM CORPORATION

Dagger Draw Gas System

Section 24, T19S-R24E

Eddy County, NM

SAMPLE DIAGRAM (Not to Scale)

Xenco Report #: 361360 & 363597
Report Date: 2/10/2010 & 3/10/2010

Prepared by Robert Asher
Environmental Regulatory Agent

Analytical Report 361360

for

Yates Petroleum Corporation

Project Manager: Robert Asher

Dagger Draw Gas System Line

30-015-DDGSL

10-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)

10-FEB-10

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

Reference: XENCO Report No: **361360**
Dagger Draw Gas System Line
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 361360. 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. 361360 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

XENCO Laboratories

Sample Cross Reference 361360

Yates Petroleum Corporation, Artesia, NM

Dagger Draw Gas System Line

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-001/N	S	Feb-02-10 09:38	1 - 1 ft	361360-001
GS/Comp-002/N	S	Feb-02-10 10:20	2 - 2 ft	361360-002
GS/Comp-003/N	S	Feb-02-10 10:27	3 - 3 ft	361360-003
GS/Comp-001/S	S	Feb-02-10 10:43	1 - 1 ft	361360-004
GS/Comp-002/S	S	Feb-02-10 11:07	2 - 2 ft	361360-005
GS/Comp-003/S	S	Feb-02-10 11:27	3 - 3 ft	361360-006
GS/Comp-001/D	S	Feb-02-10 10:43	1 - 1 ft	361360-007
GS/Comp-002/D	S	Feb-02-10 11:07	2 - 2 ft	361360-008
GS/Comp-003/D	S	Feb-02-10 11:27	3 - 3 ft	361360-009

CASE NARRATIVE

Client Name: Yates Petroleum Corporation
Project Name: Dagger Draw Gas System Line

Project ID:	*30-015-DDGSL*	*Report Date:*	*10-FEB-10*
Work Order Number:	*361360*	*Date Received:*	*02/05/2010*

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-792878 Percent Moisture
None

Batch: LBA-792886 Percent Moisture
None

Batch: LBA-792890 Inorganic Anions by EPA 300
None

Batch: LBA-792921 BTEX by EPA 8021
None

Batch: LBA-792945 BTEX by EPA 8021
SW8021BM

Batch 792945, 1,4-Difluorobenzene recovered below QC limits . Matrix interferences is suspected; data confirmed by re-analysis
Samples affected are: 361360-001 D,361360-004,361360-005,361360-009,361360-008,361360-001,361360-007.
4-Bromofluorobenzene recovered above QC limits . Matrix interferences is suspected; data confirmed by re-analysis
Samples affected are: 361360-001 D,361360-004,361360-005,361360-007,361360-009,361360-008,361360-001.

Batch: LBA-793095 TPH by SW 8015B
SW8015B_NM

Batch 793095, C10-C28 Diesel Range Hydrocarbons recovered below QC limits in the Matrix Spike.
Samples affected are: 361360-003, -004, -006, -001, -002, -005, -009, -008, -007.
The Laboratory Control Sample for C10-C28 Diesel Range Hydrocarbons is within laboratory Control Limits

Batch: LBA-793130 BTEX by EPA 8021
SW8021BM

Batch 793130, 1,4-Difluorobenzene recovered below QC limits . Matrix interferences is suspected; data confirmed by re-analysis
Samples affected are: 361360-002.
4-Bromofluorobenzene recovered above QC limits . Matrix interferences is suspected; data confirmed by re-analysis
Samples affected are: 361360-002.

SW8021BM

Batch 793130, Benzene, Ethylbenzene, Toluene, m,p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.
Samples affected are: 361360-002.
The Laboratory Control Sample for Toluene, m,p-Xylenes , Benzene, Ethylbenzene, o-Xylene is within laboratory Control Limits

Certificate of Analysis Summary 361360

Yates Petroleum Corporation, Artesia, NM

Project Name: Dagger Draw Gas System Line

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

Date Received in Lab: Fri Feb-05-10 04:30 pm
Report Date: 10-FEB-10
Project Manager: Brent Barron, II

Analysis Requested													
	Lab Id:	361360-001		361360-002		361360-003		361360-004		361360-005		361360-006	
	Field Id:	GS/Comp-001/N		GS/Comp-002/N		GS/Comp-003/N		GS/Comp-001/S		GS/Comp-002/S		GS/Comp-003/S	
	Depth:	1-1 ft		2-2 ft		3-3 ft		1-1 ft		2-2 ft		3-3 ft	
	Matrix:	SOIL		SOIL		SOIL		SOIL		SOIL		SOIL	
	Sampled:	Feb-02-10 09:38		Feb-02-10 10:20		Feb-02-10 10:27		Feb-02-10 10:43		Feb-02-10 11:07		Feb-02-10 11:27	
Anions in Soil By EPA 300.0	*Extracted:*												
	Analyzed:	Feb-08-10 09:54		Feb-08-10 09:54		Feb-08-10 09:54		Feb-08-10 09:54		Feb-08-10 09:54		Feb-08-10 09:54	
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL
Chloride		19.0	4.54	61.4	4.60	9.34	4.23	56.1	4.47	103	9.38	12.3	4.29
BTEX by EPA 8021	*Extracted:*	Feb-08-10 09:00		Feb-09-10 14:00		Feb-08-10 09:00		Feb-08-10 09:00		Feb-08-10 09:00		Feb-08-10 09:00	
	Analyzed:	Feb-09-10 00:12		Feb-10-10 05:00		Feb-08-10 18:09		Feb-09-10 01:42		Feb-09-10 02:26		Feb-08-10 18:32	
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL
Benzene		0.4394	0.2681	ND	0.0054	ND	0.0010	ND	0.0106	ND	0.0056	ND	0.0010
Toluene		7.642	0.5361	0.0184	0.0108	ND	0.0020	0.1668	0.0212	0.0209	0.0111	ND	0.0020
Ethylbenzene		3.936	0.2681	0.0221	0.0054	ND	0.0010	0.0793	0.0106	0.0444	0.0056	ND	0.0010
m,p-Xylenes		18.07	0.5361	0.1992	0.0108	ND	0.0020	0.2057	0.0212	0.1657	0.0111	ND	0.0020
o-Xylene		9.165	0.2681	0.1395	0.0054	0.0014	0.0010	0.1324	0.0106	0.0762	0.0056	ND	0.0010
Xylenes, Total		27.24	0.2681	0.3387	0.0054	0.0014	0.0010	0.3381	0.0106	0.2419	0.0056	ND	0.0010
Total BTEX		39.25	0.2681	0.3792	0.0054	0.0014	0.0010	0.5842	0.0106	0.3072	0.0056	ND	0.0010
Percent Moisture	*Extracted:*												
	Analyzed:	Feb-08-10 17:00		Feb-08-10 17:00		Feb-08-10 17:00		Feb-08-10 17:00		Feb-08-10 17:00		Feb-08-10 17:00	
	Units/RL:	%	RL	%	RL	%	RL	%	RL	%	RL	%	RL
Percent Moisture		7.48	1.00	8.70	1.00	ND	1.00	5.94	1.00	10.4	1.00	2.08	1.00
TPH by SW 8015B	*Extracted:*	Feb-08-10 10:00		Feb-08-10 10:00		Feb-08-10 10:00		Feb-08-10 10:00		Feb-08-10 10:00		Feb-08-10 10:00	
	Analyzed:	Feb-09-10 10:04		Feb-09-10 10:30		Feb-09-10 10:58		Feb-09-10 11:42		Feb-09-10 12:36		Feb-09-10 13:13	
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL
C6-C10 Gasoline Range Hydrocarbons		1930	161	85.9	16.4	ND	15.1	294	15.9	117	16.7	ND	15.2
C10-C28 Diesel Range Hydrocarbons		3040	161	429	16.4	49.9	15.1	1180	15.9	467	16.7	49.9	15.2
Total TPH		4970	161	515	16.4	49.9	15.1	1474	15.9	584	16.7	49.9	15.2

Brent Barron, II
Odessa Laboratory Manager

Certificate of Analysis Summary 361360

Yates Petroleum Corporation, Artesia, NM

Project Name: Dagger Draw Gas System Line

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

Date Received in Lab: Fri Feb-05-10 04:30 pm
Report Date: 10-FEB-10
Project Manager: Brent Barron, II

Analysis Requested											
	Lab Id:	361360-007		361360-008		361360-009					
	Field Id:	GS/Comp-001/D		GS/Comp-002/D		GS/Comp-003/D					
	Depth:	1-1 ft		2-2 ft		3-3 ft					
	Matrix:	SOIL		SOIL		SOIL					
	Sampled:	Feb-02-10 10:43		Feb-02-10 11:07		Feb-02-10 11:27					
Anions in Soil By EPA 300.0	*Extracted:*										
	Analyzed:	Feb-08-10 09:54		Feb-08-10 09:54		Feb-08-10 09:54					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL				
Chloride		11.9	4.42	56.9	4.75	62.1	4.87				
BTEX by EPA 8021	*Extracted:*	Feb-08-10 09:00		Feb-08-10 09:00		Feb-08-10 09:00					
	Analyzed:	Feb-09-10 03:11		Feb-09-10 07:38		Feb-09-10 05:03					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL				
Benzene		0.3181	0.2101	1.308	0.2252	0.7641	0.2872				
Toluene		9.101	0.4203	29.81	0.4504	18.72	0.5743				
Ethylbenzene		5.059	0.2101	12.41	0.2252	8.081	0.2872				
m,p-Xylenes		12.68	0.4203	63.05	0.4504	45.24	0.5743				
o-Xylene		10.24	0.2101	22.28	0.2252	15.98	0.2872				
Xylenes, Total		22.92	0.2101	85.33	0.2252	61.22	0.2872				
Total BTEX		37.40	0.2101	128.86	0.2252	88.79	0.2872				
Percent Moisture	*Extracted:*										
	Analyzed:	Feb-08-10 17:00		Feb-08-10 17:00		Feb-08-10 17:00					
	Units/RL:	%	RL	%	RL	%	RL				
Percent Moisture		5.01	1.00	11.5	1.00	13.8	1.00				
TPH by SW 8015B	*Extracted:*	Feb-08-10 10:00		Feb-08-10 10:00		Feb-08-10 10:00					
	Analyzed:	Feb-09-10 13:46		Feb-09-10 14:13		Feb-09-10 14:40					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL				
C6-C10 Gasoline Range Hydrocarbons		2050	157	5540	339	2170	173				
C10-C28 Diesel Range Hydrocarbons		3700	157	6240	339	2700	173				
Total TPH		5750	157	11780	339	4870	173				

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.

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765
Phone: 432-563-1800
Fax: 432-563-1713

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

Project Name: Dagger Draw Gas System Line
Project #: 30-015-DDGSL
Project Loc: Eddy County
PO #: 105632
Report Format: [X] Standard [ ] TRRP [ ] NPDES

(lab use only)
ORDER #: 361360

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO_3	HCl	H_2SO_4	NaOH	$Na_2S_2O_3$	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge GW = Groundwater S=Soil/Solid NP=Non-Potable Specify Other	Analyze For: TPH: 418.1 8015M 8015B	TPH: TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se (TCLP: / TOTAL:)	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N.O.R.M.	Chlorides			RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	GS/Comp-001/N	1'	1'	2/2/2010	9:38 AM			X								S	X								X			X				X
02	GS/Comp-002/N	2'	2'	2/2/2010	10:20 AM			X								S	X								X			X				X
03	GS/Comp-003/N	3'	3'	2/2/2010	10:27 AM			X								S	X								X			X				X
04	GS/Comp-001/S	1'	1'	2/2/2010	10:43 AM			X								S	X								X			X				X
05	GS/Comp-002/S	2'	2'	2/2/2010	11:07 AM			X								S	X								X			X				X
06	GS/Comp-003/S	3'	3'	2/2/2010	11:27 AM			X								S	X								X			X				X
07	GS/Comp-001/D	1'	1'	2/2/2010	10:43 AM			X								S	X								X			X				X
08	GS/Comp-002/D	2'	2'	2/2/2010	11:07 AM			X								S	X								X			X				X
09	GS/Comp-003/D	3'	3'	2/2/2010	11:27 AM			X								S	X								X			X				X

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

Relinquished by: Robert Asher [signature]	Date 02/03/10	Time 2:34 PM	Received by:	Date	Time
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by: Fedex	Date	Time	Received by ELOT: [signature]	Date 2/3/10	Time 16:30

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 Y N
by Sampler/Client Rep. ?
by Courier? UPS DHL (FedEx) Lone Star
4029455
Temperature Upon Receipt: 5.1 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Yates Petroleum

Date/ Time: 2-5-10 16:30

Lab ID # : 361360

Initials: AL

Sample Receipt Checklist

					Client Initials
#1	Temperature of container/ cooler?	(Yes)	No	5.1 °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 363597

for

Yates Petroleum Corporation

Project Manager: Robert Asher

Dagger Draw Gas System Line

30-015-DDGSL

10-MAR-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)

10-MAR-10

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

Reference: XENCO Report No: **363597**
Dagger Draw Gas System Line
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 363597. 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. 363597 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

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

Respectfully,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 363597

Yates Petroleum Corporation, Artesia, NM

Dagger Draw Gas System Line

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-004/D	S	Feb-25-10 09:30	4 - 4 ft	363597-001
GS/Comp-005/D	S	Feb-25-10 09:40	5 - 5 ft	363597-002
GS/Comp-006/D	S	Feb-25-10 09:50	6 - 6 ft	363597-003

CASE NARRATIVE

Client Name: Yates Petroleum Corporation
Project Name: Dagger Draw Gas System Line

Project ID:	*30-015-DDGSL*	*Report Date:*	*10-MAR-10*
Work Order Number:	*363597*	*Date Received:*	*02/26/2010*

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-795790 TPH by SW 8015B
None

Batch: LBA-795816 Percent Moisture
AD2216A
Batch 795816, Percent Moisture RPD is outside the QC limit. This is most likely due to sample non-homogeneity.
Samples affected are: 363597-003, -001, -002.

Batch: LBA-795830 Inorganic Anions by EPA 300
None

Batch: LBA-796540 BTEX by EPA 8021
SW8021BM

Batch 796540, 1,4-Difluorobenzene recovered below QC limits . Matrix interferences is suspected; data confirmed by re-analysis
Samples affected are: 363597-001,363597-002. 363597-003, and 363628-001 D
4-Bromofluorobenzene recovered above QC limits . Matrix interferences is suspected; data confirmed by re-analysis
Samples affected are: 363597-001.

Certificate of Analysis Summary 363597

Yates Petroleum Corporation, Artesia, NM

Project Name: Dagger Draw Gas System Line

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

Date Received in Lab: Fri Feb-26-10 09:26 am
Report Date: 10-MAR-10
Project Manager: Brent Barron, II

Analysis Requested											
	Lab Id:	363597-001		363597-002		363597-003					
	Field Id:	GS/Comp-004/D		GS/Comp-005/D		GS/Comp-006/D					
	Depth:	4-4 ft		5-5 ft		6-6 ft					
	Matrix:	SOIL		SOIL		SOIL					
	Sampled:	Feb-25-10 09:30		Feb-25-10 09:40		Feb-25-10 09:50					
Anions in Soil By EPA 300.0	*Extracted:*										
	Analyzed:	Feb-26-10 21:42		Feb-26-10 21:42		Feb-26-10 21:42					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL				
Chloride		38.5	4.69	48.5	4.72	38.2	4.58				
BTEX by EPA 8021	*Extracted:*	Mar-04-10 07:30		Mar-04-10 07:30		Mar-04-10 07:30					
	Analyzed:	Mar-04-10 14:41		Mar-04-10 15:04		Mar-04-10 16:33					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL				
Benzene		1.596	0.2790	ND	1.117	ND	1.089				
Toluene		40.74	0.5580	16.71	2.235	27.84	2.179				
Ethylbenzene		13.32	0.2790	6.079	1.117	9.206	1.089				
m,p-Xylenes		60.16	0.5580	38.49	2.235	58.36	2.179				
o-Xylene		23.48	0.2790	12.30	1.117	18.41	1.089				
Xylenes, Total		83.64	0.2790	50.79	1.117	76.77	1.089				
Total BTEX		139.30	0.2790	73.58	1.117	113.82	1.089				
Percent Moisture	*Extracted:*										
	Analyzed:	Feb-26-10 17:00		Feb-26-10 17:00		Feb-26-10 17:00					
	Units/RL:	%	RL	%	RL	%	RL				
Percent Moisture		10.4	1.00	11.0	1.00	8.21	1.00				
TPH by SW 8015B	*Extracted:*	Feb-26-10 11:00		Feb-26-10 11:00		Feb-26-10 11:00					
	Analyzed:	Feb-27-10 09:51		Feb-27-10 10:18		Feb-27-10 10:45					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL				
C6-C10 Gasoline Range Hydrocarbons		3220	167	2840	169	2640	163				
C10-C28 Diesel Range Hydrocarbons		3190	167	3310	169	2660	163				
Total TPH		6410	167	6150	169	5300	163				

Brent Barron, II
Odessa Laboratory Manager

XENCO Laboratories

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.

XENCO Laboratories

Form 2 - Surrogate Recoveries

Project Name: Dagger Draw Gas System Line

Work Orders : 363597, **Project ID:** 30-015-DDGSL

Lab Batch #: 796540 **Sample:** 552018-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 03/04/10 08:12

BTEX by EPA 8021 Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0265	0.0300	88	80-120	
4-Bromofluorobenzene	0.0331	0.0300	110	80-120	

Lab Batch #: 796540 **Sample:** 552018-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 03/04/10 08:35

BTEX by EPA 8021 Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0311	0.0300	104	80-120	
4-Bromofluorobenzene	0.0327	0.0300	109	80-120	

Lab Batch #: 796540 **Sample:** 552018-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg **Date Analyzed:** 03/04/10 09:42

BTEX by EPA 8021 Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0242	0.0300	81	80-120	
4-Bromofluorobenzene	0.0304	0.0300	101	80-120	

Lab Batch #: 796540 **Sample:** 363597-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 03/04/10 14:41

BTEX by EPA 8021 Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0162	0.0300	54	80-120	**
4-Bromofluorobenzene	0.0480	0.0300	160	80-120	**

Lab Batch #: 796540 **Sample:** 363597-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg **Date Analyzed:** 03/04/10 15:04

BTEX by EPA 8021 Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0183	0.0300	61	80-120	**
4-Bromofluorobenzene	0.0306	0.0300	102	80-120	

* Surrogate outside of Laboratory QC limits

** Surrogates outside limits; data and surrogates confirmed by reanalysis

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

All results are based on MDL and validated for QC purposes.

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

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

Project Manager: Robert Asher

Company Name: Yates Petroleum Corporation

Company Address: 105 South 4th Street

City/State/Zip: Artesia, NM 88210

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

Sampler Signature: Robert A Asher

e-mail: boba@yatespetroleum.com

Project Name: Dagger Draw Gas System Line

Project #: 30-015-DDGSL

Project Loc: Eddy County

PO #: 105632

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

(lab use only)

ORDER #: 363597

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO3	HCl	H2SO4	NaOH	Na2S2O3	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge GW=Groundwater S=Soil/Solid NP=Non-Potable Specify Other	Analyze For: TPH: 418.1 8015M 8015B	TPH: TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N.O.R.M.	Chlorides			RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	GS/Comp-004/D	4'	4'	2/25/2010	9:30 AM			X								S	X							X			X				X
02	GS/Comp-005/D	5'	5'	2/25/2010	9:40 AM			X								S	X							X			X				X
03	GS/Comp-006/D	6'	6'	2/25/2010	9:50 AM			X								S	X							X			X				X

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

Relinquished by:	Date	Time	Received by:	Date	Time
Robert Asher	02/25/10	2:40 PM			
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by: Fedex	Date	Time	Received by ELOT: Andrea Lam	Date 2-26-10	Time 9:20

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

4029455

Temperature Upon Receipt: 1.6 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Yates Petroleum

Date/ Time: 2.24.10 9:26

Lab ID #: 363597

Initials: AL

Sample Receipt Checklist

					Client Initials
#1	Temperature of container/ cooler?	(Yes)	No	1.6 °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

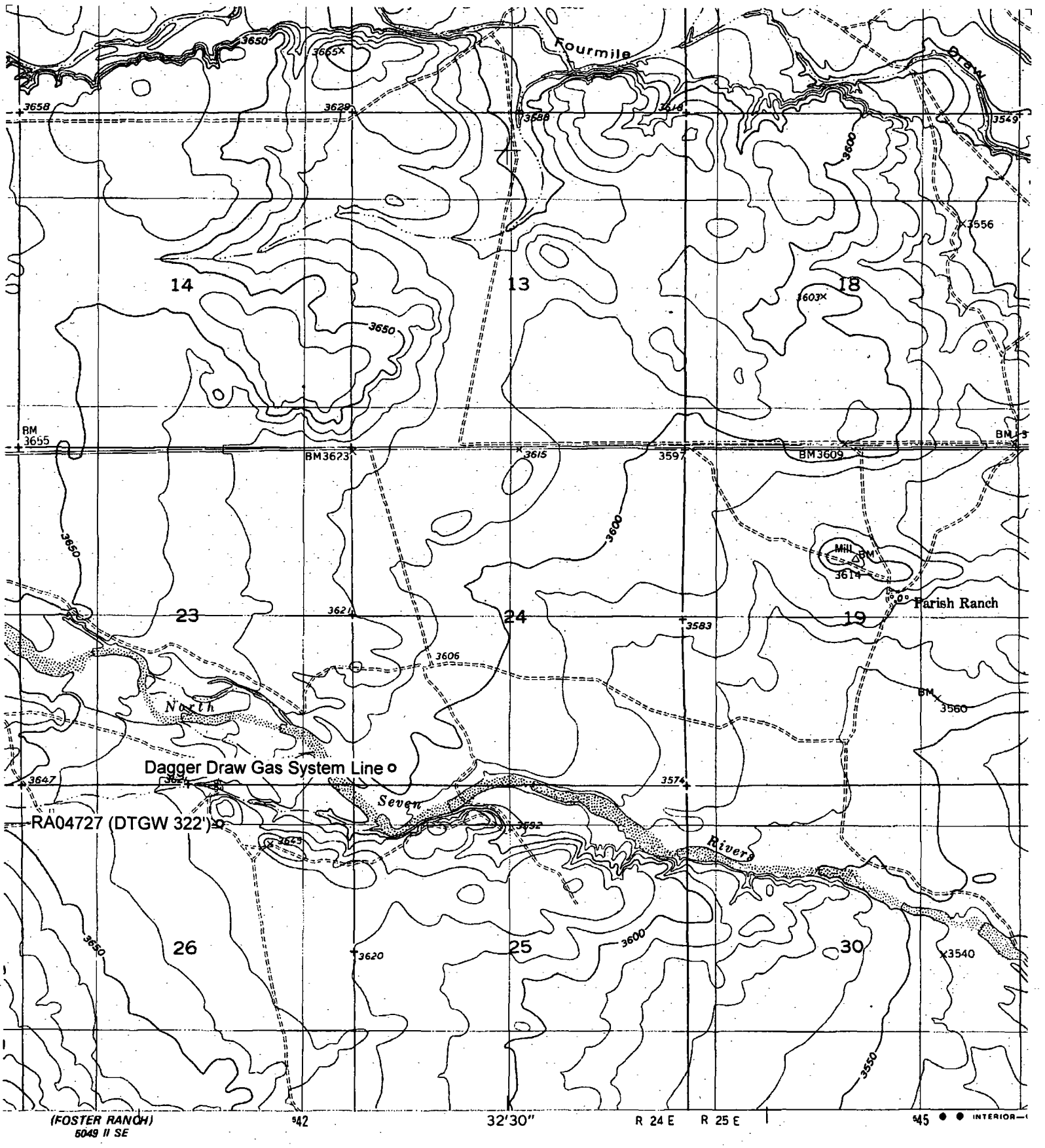
Contact: _____ Contacted by: _____ Date/ Time: _____

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



SCALE 1:24 000

0 1 MILE

2000 3000 4000 5000 6000 7000 FEET

0 1 KILOMETER

CONTOUR INTERVAL 10 FEET
. GEODETIC VERTICAL DATUM OF 1929

Light-duty

NEW MEXICO

QUADRANGLE LOCATION

'Parish Ranch; NM' Scale: 1" = 0.379Mi 610Mt 2,000Ft, 1 Mi = 2.640" , 1 cm = 240Mt

New Mexico Office of the State Engineer

Wells with Well Log Information

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters) (in feet)

POD Number	Sub basin	Use	County	Source	q q q 6416	4	Sec	Tws	Rng	X	Y	Start Date	Finish Date	Log File Date	Depth Well	Depth Water
RA 03959		STK	ED		2	4	12	19S	24E	543589	3615225*	11/26/1958	11/26/1958	12/01/1958	545	265
RA 03960		STK	ED		2	2	10	19S	24E	540341	3616025*	11/24/1958	11/25/1958	12/01/1958	440	335
RA 04727		STK	ED	Shallow	1	2	26	19S	24E	541594	3611184*	11/16/1962	11/23/1962	11/08/1962	354	322
RA 05576		STK	ED	Shallow	1	4	21	19S	24E	538353	3611992*	08/07/1970	08/10/1970	08/17/1970	320	307
RA 05676		STK	ED	Shallow	2 2	3	28	19S	24E	538058	3610471*	07/21/1971	07/27/1971	07/29/1971	600	558
RA 05723		STK	ED	Shallow	3	3	34	19S	24E	539170	3608353*	02/22/1972	03/13/1972	03/15/1972	310	270
RA 06436		STK	ED	Shallow	3 1	4	12	19S	24E	543083	3615122*	01/30/1979	02/04/1979	02/04/1979		300
RA 06777		PRO	ED	Shallow	4 1	1	07	19S	24E	534378	3615864*	03/11/1981	03/22/1981	04/14/1981	800	
RA 06777		STK	ED	Shallow	4 1	1	07	19S	24E	534378	3615864*	03/11/1981	03/22/1981	04/14/1981	800	
RA 09923		DOM	CH	Shallow	1	2	16	19S	24E	538334	3614419*	08/25/2000	08/30/2000	09/13/2000	118	25

Record Count: 10

PLSS Search:

Township: 19S **Range:** 24E

***UTM location was derived from PLSS - see Help**