

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1988



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S.F. YATES
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FRANK YATES, JR.
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JOHN A. YATES, JR.
SENIOR VICE PRESIDENT

July 9, 2007

Mr. Chris Williams
NMOCD District I
1625 French Drive
Hobbs, NM 88240

RE: 1RP-1039
Bilbrey SWD #1
30-025-27620
Section 5, T22S-R32E
Lea County, New Mexico

Dear Mr. Williams,

Enclosed please find a Form C-141, Final Report for the above captioned site regarding the release on September 7, 2006 (10 B/O and 50 B/PW with 5 B/O and 20 B/PW recovered), inside the bermed battery. A vacuum truck picked up oil/water released and contaminated soils were excavated and taken to an OCD approved land facility. Site ranking is zero (0), with the depth to ground water > 100' (approximately 210'). Based on the remedial and cleanup actions taken (oil and produced water recovered, soils excavated), analytical report and that any remaining contaminants will not pose a threat to fresh water, public health and the environment in the release area, Yates Petroleum Corporation requests no further remediation and site closure.

If you have any questions, please call me at 505-748-4217.

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

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. 505-748-1471	
Facility Name Bilbrey SWD #1	API Number 30-025-27620	Facility Type Battery
Surface Owner Federal	Mineral Owner Federal	Lease No. NM-105220

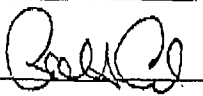
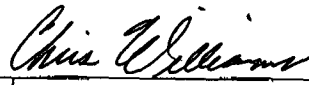
LOCATION OF RELEASE

Unit Letter B	Section 5	Township 22S	Range 32E	Feet from the 660	North/South Line North	Feet from the 1980	East/West Line East	County Lea
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Latitude 32.42597 Longitude 103.69426

NATURE OF RELEASE

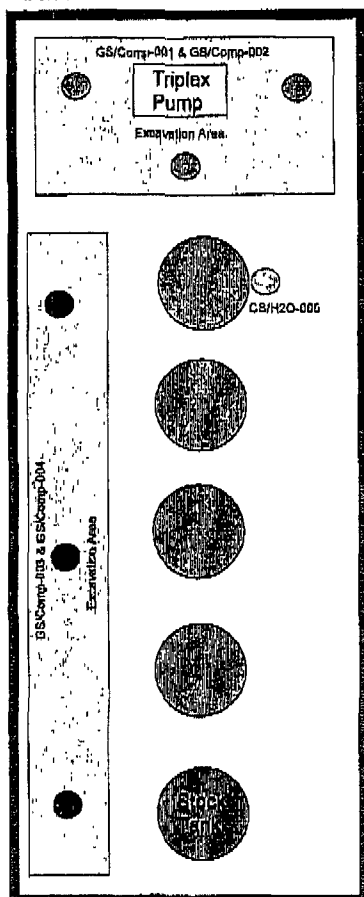
WTR > 200'

Type of Release Crude Oil & Produced Water	Volume of Release 10 B/O & 50 B/PW	Volume Recovered 5 B/O & 20 B/PW
Source of Release Water Pump	Date and Hour of Occurrence 9/7/2006 - PM	Date and Hour of Discovery 9/7/2006 - PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Pat Caperton, OCD District I	
By Whom? Robert Asher, Environmental Regulatory Agent, YPC	Date and Hour 9/8/2006, 9:16 AM (Telephone) & 9/8/2006, 9:18 AM (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 unable to keep up with rate of water coming into tanks. Vacuum truck called, overflow stopped. All fluids contained within berm.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 125' X 12', inside berm. Contaminated soils to be excavated and taken to Lea Land. Area to be evaluated. Depth to Ground Water: >100'; Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 0. With enclosed information, 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: <u>9/26/07</u>	Expiration Date: <u>9/26/07</u>
E-mail Address: boba@ypcnm.com	Conditions of Approval:	
Date: Monday, July 09, 2007 Phone: 505-748-1471	Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary



Berm



Well Head

Sample ID	Sample Date	Sample Type	Depth	BTEX	Chlorides	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
GS/Comp-001	6/27/2007	Grab/Auger	12"	ND	3380	ND	ND	ND
GS/Comp-002	6/27/2007	Grab/Auger	24"	ND	3130	ND	ND	ND
	6/27/2007	Grab/Auger	12"	ND	888	ND	199.0	199.0
	6/27/2007	Grab/Auger	24"	ND	723	ND	ND	ND
Sample ID	Sample Date	Sample Type	Depth	BTEX	Chlorides	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
GS/H2O-000	6/27/2007	Grab	N/A	ND	262000	N/A	N/A	N/A

Site Ranking is Zero (0). Depth to Ground Water >100" (approx. 210')

All results are ppm.



Bilbrey SWD #1

Section 5 T22S-R32E

Lea County, NM

EXHIBIT
Sample Diagram (Not to Scale)Prepared by Robert Asher
Environmental Regulatory Agent
July 9, 2007

Analytical Report 285189

for

Yates Petroleum Corporation

Project Manager: Robert Asher

Bilbrey SWD # 1

30-025-27620

06-JUL-07



12600 West I-20 East Odessa, Texas 79765

A Xenco Laboratories Company

NELAC certification numbers:

Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America



06-JUL-07

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

Reference: XENCO Report No: **285189**
Bilbray SWD # 1
Project Address: Lea 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 285189. 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. 285189 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

Odessa Laboratory Director

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**Sample Cross Reference 285189****Yates Petroleum Corporation, Artesia, NM****Bilbrey SWD # 1**

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-001	S	Jun-27-07 09:52		285189-001
GS/Comp-002	S	Jun-27-07 10:06		285189-002
GS/Comp-003	S	Jun-27-07 10:20		285189-003
GS/Comp-004	S	Jun-27-07 10:34		285189-004
GS/H2O-005	W	Jun-27-07 10:44		285189-005



Certificate of Analysis Summary 285189

Yates Petroleum Corporation, Artesia, NM

Project Name: Billrey SWD # 1



Project Id: 30-025-27620

Contact: Robert Asher

Project Location: Lea County

Date Received in Lab: Fri Jun-29-07 10:45 am

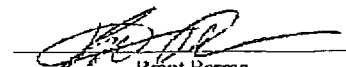
Report Date: 06-JUL-07

Project Manager: Brent Barron, II

Analysis Requested	Lab Id:	285189-001	285189-002	285189-003	285189-004	285189-005	
	Field Id:	GSComp-001	GSComp-002	GSComp-003	GSComp-004	GSComp-005	
	Depth:						
	Matrix:	SOIL	SOIL	SOIL	SOIL	WATER	
	Sampled:	Jun-27-07 09:52	Jun-27-07 10:06	Jun-27-07 10:20	Jun-27-07 10:34	Jun-27-07 10:44	
BTEX by EPA 8021B	Extracted:	Jul-02-07 13:00	Jul-02-07 13:00	Jul-02-07 13:03	Jul-02-07 13:03		
	Analyzed:	Jul-03-07 02:07	Jul-03-07 02:27	Jul-03-07 02:48	Jul-03-07 03:09		
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL		
Benzene		ND 0.0021	ND 0.0021	ND 0.0021	ND 0.0022		
Toluene		ND 0.0021	ND 0.0021	ND 0.0021	ND 0.0022		
Ethylbenzene		ND 0.0021	ND 0.0021	ND 0.0021	ND 0.0022		
m,p-Xylene		ND 0.0045	ND 0.0042	ND 0.0043	ND 0.0043		
o-Xylene		ND 0.0021	ND 0.0021	ND 0.0021	ND 0.0022		
Total Xylenes		ND	ND	ND	ND		
Total BTEX		ND	ND	ND	ND		
Inorganic Anions by EPA 300	Extracted:						
	Analyzed:	Jul-03-07 01:41	Jul-03-07 01:51	Jul-03-07 01:21	Jul-03-07 01:41	Jul-03-07 14:14	
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/L RL	
Chloride		3380 53.5	3130 52.8	858 21.3	723 10.8	262000 5000	
Percent Moisture	Extracted:						
	Analyzed:	Jun-29-07 17:20	Jun-29-07 17:25	Jun-29-07 17:30	Jun-29-07 17:35		
	Units/RL:	% RL	% RL	% RL	% RL		
Percent Moisture		6.16	5.38	5.99	7.4		
TPH by SW 8015B	Extracted:	Jul-02-07 16:09	Jul-02-07 16:09	Jul-02-07 16:09	Jul-02-07 16:09		
	Analyzed:	Jul-03-07 13:14	Jul-03-07 13:40	Jul-03-07 14:05	Jul-03-07 14:31		
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL		
C6-C10 Gasoline Range Hydrocarbons		ND 26.6	ND 26.4	ND 26.6	ND 27.0		
C10-C28 Diesel Range Hydrocarbons		ND 26.6	ND 26.4	199 26.6	ND 27.0		

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 IENCO Laboratories. IENCO Laboratories assumes no responsibility and makes no warranty to the end user of the data hereon, provided the liability is limited to the amount involved in this work order unless otherwise agreed to in writing.

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Brent Barron
Odessa Laboratory Director



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.

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 5332 Blackberry Drive, Suite 104, San Antonio, TX 78238
 2505 N. Falkenberg Rd., Tampa, FL 33619
 5757 NW 158th St, Miami Lakes, FL 33014

Phone	Fax
(281) 589-0692	(281) 589-0695
(214) 902 0300	(214) 351-9139
(210) 509-3334	(201) 309-3335
(813) 620-2000	(813) 620-2053
(305) 823-8500	(305) 823-8555

Environmental Lab of Texas

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

13400 Wind Lake East
Ondale, Texas 79368Phone: 413-653-1810
Fax: 413-653-2713

Project Manager Robert Acker

Project Name BAYVIEW SIVOS R

Company Name Yates Petroleum Corporation

Project # 33-025-27220

Company Address 105 East 4th St, Slat

Request Location LA GULF B.

City/State/Zip Austin, TX 78701

Project # 106537

Telephone No 512-744-6117

Request Format ☒ Barium ☐ TRIP ☐ JONESSampler Signature *[Signature]*Request Format ☒ Barium ☐ TRIP ☐ JONES

Special Instructions: TPH, 8015B, BTEX, 8021B, Chlorides. Show BTEX results in report. Thank you

Request Format ☒ Barium ☐ TRIP ☐ JONES

Lab # (Lab use only)

Request Format ☒ Barium ☐ TRIP ☐ JONES

Lab # (Lab use only)

Request Format ☒ Barium ☐ TRIP ☐ JONES

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Lab # (Lab use only)

Request Format ☒ Barium ☐ TRIP ☐ JONES

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

Client: 10425
 Date/ Time: 6/29/07 10:45
 Lab ID #: 723159
 Initials: EL

Sample Receipt Checklist

	Yes	No	Client Initials
#1 Temperature of container/ cooler?	Yes	No	10
#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 w/ 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

Contract: _____ 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