

MARTIN YATES, III  
1912-1985

FRANK W. YATES  
1926-1986



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

S.P. YATES  
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JOHN A. YATES  
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PEYTON YATES  
PRESIDENT  
  
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EXECUTIVE VICE PRESIDENT  
  
JOHN A. YATES, JR.  
SENIOR VICE PRESIDENT

July 5, 2007

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

RE: 1RP-1119  
Kiwi AKX State #8  
30-025-31889  
Section 16, 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 November 6, 2006 (250 B/PW with 40 B/PW recovered), within the pad area and a portion of the southwest corner of the location pad. Berms were built on the north and south side of the location pad to contain any future releases. Samples have been taken (June 19, 2007) and sent to an OCD approved laboratory for analysis (please see attached analytical reports and sample diagram). Site ranking is zero (0), with the depth to ground water > 100' (approximately 310'). Based on the remediation work (produced water recovered, berm construction) and the analytical results, 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 <sup>TH</sup> Street		Telephone No. 505-748-1471
Facility Name Kiwi AKX State #8	API Number 30-025-31889	Facility Type Battery
Surface Owner State	Mineral Owner State	Lease No. VB-134

**LOCATION OF RELEASE**

Unit Letter F	Section 16	Township 22S	Range 32E	Feet from the 1980	North/South Line North	Feet from the 2310	East/West Line West	County Lea
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Latitude 32.39337 Longitude 103.68028

**NATURE OF RELEASE**

Type of Release Produced Water	Volume of Release 250 B/PW	Volume Recovered 40 B/PW
Source of Release Discharge Line	Date and Hour of Occurrence 11/6/2006 - AM	Date and Hour of Discovery 11/6/2006 - AM
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 11/6/2006, 4:22 PM (Telephone) & 11/6/2006, 4:10 PM (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 * Discharge line split at well head. Pump shut down/valves closed, vacuum truck called. Berm has been constructed around well pad		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 50' X 300', well pad and off location. Vertical and horizontal delineation will be made and corrective action taken. <b>Depth to Ground Water: &gt;100'; Wellhead Protection Area: No; Distance to Surface Water Body: &gt;1000'; SITE RANKING IS 0. With enclosed information, Yates Petroleum Corporation is requesting closure.</b>		
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: 	<u>OIL CONSERVATION DIVISION</u>	
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:	Attached <input type="checkbox"/>
Date: Thursday, July 05, 2007	Phone: 505-748-1471	

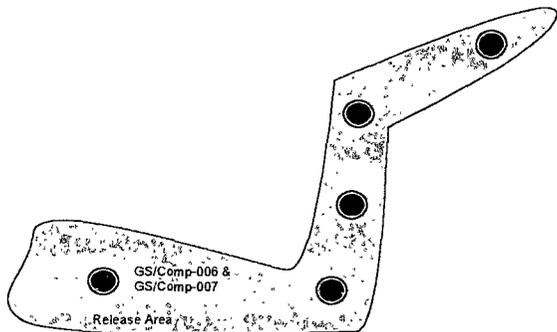
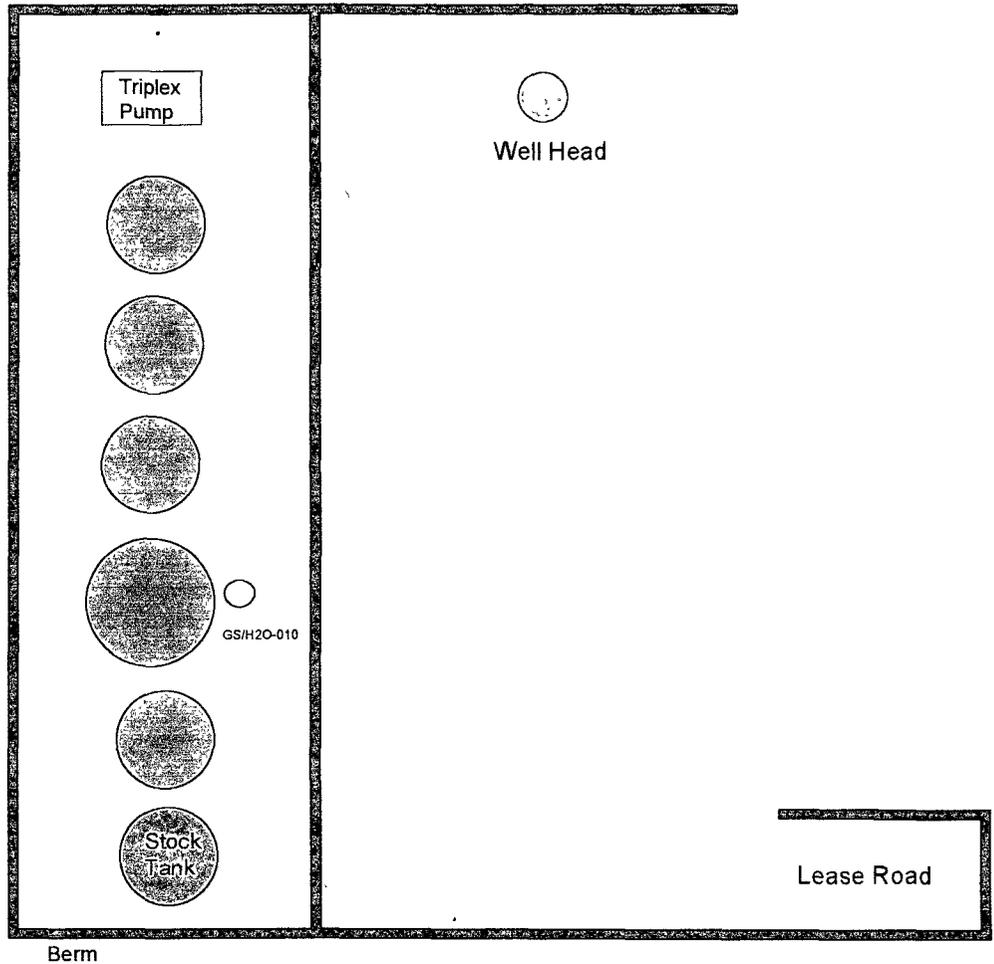
\* Attach Additional Sheets If Necessary

Sample ID	Sample Date	Sample Type	Depth	BTEX	Chlorides	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
GS/Comp-006	6/19/2007	Grab	1'	ND	2590	ND	ND	ND
GS/Comp-007	6/19/2007	Grab	2'	ND	2820	ND	ND	ND
Sample ID	Sample Date	Sample Type	Depth	BTEX	Chlorides	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
GS/H2O-010	6/19/2007	Grab	N/A	N/A	218,000	N/A	N/A	N/A



Site Ranking is Zero (0). Depth to Ground Water >100' (approx. 310')

All results are ppm.



**Kiwi AKX State #8**  
**Section 16, T22S-R32E**  
**Lea County, NM**

**EXHIBIT**  
**Sample Diagram (Not to Scale)**  
  
Prepared by Robert Asher  
Environmental Regulatory Agent  
July 5, 2007

# **Analytical Report 284653**

**for**

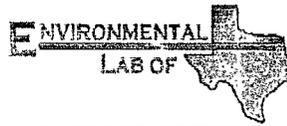
## **Yates Petroleum Corporation**

**Project Manager: Robert Asher**

**Kiwi AKX State # 8**

**30-025-31889**

**05-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



05-JUL-07

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

Reference: XENCO Report No: **284653**  
**Kiwi AKX State # 8**  
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 284653. 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. 284653 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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*Certified and approved by numerous States and Agencies.*  
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**Sample Cross Reference 284653**



**Yates Petroleum Corporation, Artesia, NM**

Kiwi AKX State # 8

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-001	S	Jun-19-07 10:00	1 - 1 ft	284653-001
GS/Comp-002	S	Jun-19-07 10:20	1 - 1 ft	284653-002
GS/Comp-003	S	Jun-19-07 10:32	2 - 2 ft	284653-003
GS/Comp-004	S	Jun-19-07 10:52	1 - 1 ft	284653-004
GS/Comp-005	S	Jun-19-07 11:10	2 - 2 ft	284653-005
GS/Comp-006	S	Jun-19-07 11:29	1 - 1 ft	284653-006
GS/Comp-007	S	Jun-19-07 11:48	2 - 2 ft	284653-007
GS/Comp-008	S	Jun-19-07 12:07	1 - 2 ft	284653-008
GS/Comp-009	S	Jun-19-07 12:20	2 - 2 ft	284653-009
GS/H2O-010	W	Jun-19-07 12:30		284653-010



# Certificate of Analysis Summary 284653

Yates Petroleum Corporation, Artesia, NM

Project Name: Kiwi AKX State # 8



Project Id: 30-025-31889

Contact: Robert Asher

Project Location: Lea County

Date Received in Lab: Thu Jun-21-07 09:40 am

Report Date: 05-JUL-07

Project Manager: Brent Barron, II

Analysis Requested	Lab Id:	284653-001	284653-002	284653-003	284653-004	284653-005	284653-006
	Field Id:	GS/Comp-001	GS/Comp-002	GS/Comp-003	GS/Comp-004	GS/Comp-005	GS/Comp-006
	Depth:	1-1 ft	1-1 ft	2-2 ft	1-1 ft	2-2 ft	1-1 ft
	Matrix:	SOIL	SOIL	SOIL	SOIL	SOIL	SOIL
	Sampled:	Jun-19-07 10 00	Jun-19-07 10 20	Jun-19-07 10 32	Jun-19-07 10 52	Jun-19-07 11 10	Jun-19-07 11 29
BTEX by EPA 8021B	Extracted:	Jun-26-07 14 40					
	Analyzed:	Jun-28-07 16 19	Jun-27-07 14 32	Jun-27-07 14 52	Jun-27-07 15 13	Jun-27-07 15 34	Jun-27-07 15 54
	Units/RL:	mg/kg RL					
Benzene		ND 0 0265	ND 0 0021	ND 0 0021	ND 0 0021	ND 0 0022	ND 0 0021
Toluene		ND 0 0265	ND 0 0021	ND 0 0021	ND 0 0021	ND 0 0022	ND 0 0021
Ethylbenzene		ND 0 0265	ND 0 0021	ND 0 0021	ND 0 0021	ND 0 0022	ND 0 0021
m,p-Xylene		ND 0 0529	ND 0 0042	ND 0 0042	ND 0 0042	ND 0 0043	ND 0 0043
o-Xylene		ND 0 0265	ND 0 0021	ND 0 0021	ND 0 0021	ND 0 0022	ND 0 0021
Total Xylenes		ND	ND	ND	ND	ND	ND
Total BTEX		ND	ND	ND	ND	ND	ND
Inorganic Anions by EPA 300	Extracted:						
	Analyzed:	Jun-22-07 18 24	Jun-22-07 18 44	Jun-22-07 19 04	Jun-22-07 19 24	Jun-22-07 19 44	Jun-22-07 20 04
	Units/RL:	mg/kg RL					
Chloride		108 0 529	1590 0 520	788 0 520	41 1 0 523	1500 0 540	2590 0 537
Percent Moisture	Extracted:						
	Analyzed:	Jun-21-07 16 00	Jun-21-07 15 55	Jun-21-07 15 50	Jun-21-07 15 45	Jun-21-07 15 40	Jun-21-07 15 35
	Units/RL:	% RL					
Percent Moisture		5 54	3 86	3 79	4 48	7 46	6 89
TPH by SW 8015B	Extracted:	Jun-22-07 09 27	Jun-22-07 09 29	Jun-22-07 09 31	Jun-22-07 09 33	Jun-22-07 09 35	Jun-22-07 09 37
	Analyzed:	Jun-23-07 07 26	Jun-23-07 07 51	Jun-23-07 08 16	Jun-23-07 08 41	Jun-23-07 09 06	Jun-23-07 09 30
	Units/RL:	mg/kg RL					
C6-C10 Gasoline Range Hydrocarbons		ND 26 5	ND 26 0	ND 26 0	ND 26 2	ND 27 0	ND 26 8
C10-C28 Diesel Range Hydrocarbons		ND 26 5	ND 26 0	ND 26 0	ND 26 2	ND 27 0	ND 26 8

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 invested for this work, order unless otherwise agreed to in writing.

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Brent Barron  
Odessa Laboratory Director



# Certificate of Analysis Summary 284653

Yates Petroleum Corporation, Artesia, NM

Project Name: Kiwi AKX State # 8



Project ID: 30-025-31889

Contact: Robert Asher

Project Location: Lea County

Date Received in Lab: Thu Jun-21-07 09.40 am

Report Date: 05-JUL-07

Project Manager: Brent Barron, II

<i>Analysis Requested</i>	<i>Lab Id:</i>	284653-007	284653-008	284653-009	284653-010		
	<i>Field Id:</i>	GS/Comp-007	GS/Comp-008	GS/Comp-009	GS/II2O-010		
	<i>Depth:</i>	2-2 ft	1-2 ft	2-2 ft			
	<i>Matrix:</i>	SOIL	SOIL	SOIL	WATER		
	<i>Sampled:</i>	Jun-19-07 11 48	Jun-19-07 12 07	Jun-19-07 12 20	Jun-19-07 12 30		
<b>BTEX by EPA 8021B</b>	<i>Extracted:</i>	Jun-26-07 14 40	Jun-26-07 14 40	Jun-26-07 14 40			
	<i>Analyzed:</i>	Jun-27-07 16 15	Jun-27-07 16 36	Jun-27-07 16 57			
	<i>Units/RL:</i>	mg/kg RL	mg/kg RL	mg/kg RL			
Benzene		ND 0.0022	ND 0.0021	ND 0.0022			
Toluene		ND 0.0022	ND 0.0021	ND 0.0022			
Ethylbenzene		ND 0.0022	ND 0.0021	ND 0.0022			
m,p-Xylene		ND 0.0044	ND 0.0042	ND 0.0043			
o-Xylene		ND 0.0022	ND 0.0021	ND 0.0022			
Total Xylenes		ND	ND	ND			
Total BTEX		ND	ND	ND			
<b>Inorganic Anions by EPA 300</b>	<i>Extracted:</i>						
	<i>Analyzed:</i>	Jun-26-07 15 54	Jun-26-07 14 38	Jun-26-07 14 57	Jun-27-07 10 36		
	<i>Units/RL:</i>	mg/kg RL	mg/kg RL	mg/kg RL	mg/l RL		
Chloride		2820 0.555	235 0.529	2340 0.544	218000 0.500		
<b>Percent Moisture</b>	<i>Extracted:</i>						
	<i>Analyzed:</i>	Jun-21-07 15 30	Jun-21-07 15 25	Jun-22-07 16 21			
	<i>Units/RL:</i>	% RL	% RL	% RL			
Percent Moisture		9.89	5.41	8.02			
<b>TPH by SW 8015B</b>	<i>Extracted:</i>	Jun-22-07 09 39	Jun-22-07 09 41	Jun-22-07 09 43			
	<i>Analyzed:</i>	Jun-23-07 09 56	Jun-23-07 10 21	Jun-23-07 10 45			
	<i>Units/RL:</i>	mg/kg RL	mg/kg RL	mg/kg RL			
C6-C10 Gasoline Range Hydrocarbons		ND 27.7	ND 26.4	ND 27.2			
C10-C28 Diesel Range Hydrocarbons		ND 27.7	ND 26.4	ND 27.2			

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

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Brent Barron  
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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(210) 509-3334	(201) 509-3335
(813) 620-2000	(813) 620-2033
(305) 823-8500	(305) 823-8555



**Environmental Lab of Texas**

Variance/ Corrective Action Report- Sample Log-In

Client Yates  
 Date/ Time 6.21.07 9:40  
 Lab ID# 284653  
 Initials au

**Sample Receipt Checklist**

			Client Initials		
#1	Temperature of container/ cooler?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	3.0 °C	
#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