

MARTIN YATES, III  
1912-1985

FRANK W. YATES  
1936-1986



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

S.P. YATES  
CHAIRMAN EMERITUS

JOHN A. YATES  
CHAIRMAN OF THE BOARD

PEYTON YATES  
PRESIDENT

FRANK YATES, JR.  
EXECUTIVE VICE PRESIDENT

JOHN A. YATES, JR.  
SENIOR VICE PRESIDENT

October 8, 2007

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

RE: Brown SWD #1  
30-025-29842  
Section 26, T16S-R37E  
Lea County, New Mexico



Dear Mr. Williams,

Enclosed, please find a C-141, Final Report and a copy of the Certificate of Analysis from Assagai Laboratories for sampling conducted on the above captioned location (original closure request was faxed to your office on June 12, 2006). The contaminated soils were excavated and taken to an OCD approved disposal facility. The site ranking for this area is (10) ten.

With these results, Yates Petroleum Corporation requests closure of the site.

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 Brown SWD #1	API Number 30-025-29842	Facility Type Battery
Surface Owner Fee	Mineral Owner Federal	Lease No.

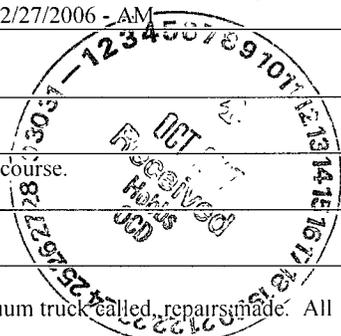
**LOCATION OF RELEASE**

Unit Letter H	Section 26	Township 16S	Range 37E	Feet from the 1910	North/South Line North	Feet from the 527	East/West Line East	County Lea
------------------	---------------	-----------------	--------------	-----------------------	---------------------------	----------------------	------------------------	---------------

Latitude 32.89476 Longitude 103.21335

**NATURE OF RELEASE**

Type of Release Produced Water	Volume of Release 15 B/PW	Volume Recovered 0 B/PW
Source of Release 1/4" nipple inside pump area	Date and Hour of Occurrence 2/27/2006 - AM	Date and Hour of Discovery 2/27/2006 - AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? Dan Dolan-Yates	Date and Hour N/A	
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.* Pressure switch fell, breaking 1/4" nipple. Water drained out onto floor of pump house and out onto ground. Vacuum truck called, repairs made. All produced water contained within berm.		



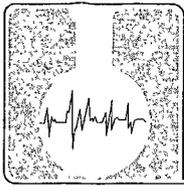
Describe Area Affected and Cleanup Action Taken \*  
An approximate area of 10' X 50', inside berm. Contaminated soils were excavated and taken to an OCD approved disposal facility. Vertical and horizontal delineation to be conducted. Chloride content of water released is approximately 25,986 ppm. **Depth to Ground Water: 50-99'; Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 10. 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:	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Robert Asher	Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: <u>10/16/07</u>	Expiration Date: <u>10/16/07</u>
E-mail Address: boba@ypcnm.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Monday, October 08, 2007	Phone: 505-748-1471	

\* Attach Additional Sheets If Necessary

RP#1618



# ASSAIGAI ANALYTICAL LABORATORIES, INC.

4301 Masthead NE, Ste. A • Albuquerque, New Mexico 87109 • (505) 345-8964 • FAX (505) 345-7259  
 3332 Wedgewood, Ste. N • El Paso, Texas 79925 • (915) 593-6000 • FAX (915) 593-7820  
 127 Eastgate Drive, 212-C • Los Alamos, New Mexico 87544 • (505) 662-2558

**YATES PETROLEUM CORP.**  
 attn **BOB ASHER (RCA)**  
**105 S. 4TH STREET**  
**ARTESIA NM 88210**

Explanation of codes	
<b>B</b>	Analyte Detected in Method Blank
<b>E</b>	Result is Estimated
<b>H</b>	Analyzed Out of Hold Time
<b>N</b>	Tentatively Identified Compound
<b>S</b>	Subcontracted
<b>1-9</b>	See Footnote

STANDARD

Assaigai Analytical Laboratories, Inc.

## Certificate of Analysis

All samples are reported on an "as received" basis, unless otherwise noted (i.e. - Dry Weight)

Client **YATES PETROLEUM CORP.**  
 Project **BROWN SWD #1**  
 Order **0605213 YAT01** Receipt **05-09-06**

*William P. Brava*  
 William P. Brava, President of Assaigai Analytical Laboratories, Inc.

Sample **SOUTHSIDE BATTERY**  
 Matrix **COMP**

Collected **05-05-06 14:45:00** By: **BA**

QC Group	Run Sequence	CAS #	Analyte	Result	Units	Dilution Factor	Detection Limit	Code	Prep Date	Run Date
<b>0605213-0001A</b>		<b>SW846 5035B/8015B</b>	<b>GRO by GC/FID</b>					By <b>EJB</b>		
V06247	XG 2006 627 4		Gasoline Range Organics	ND	mg / Kg	1	0.55		05-18-06	05-18-06
<b>0605213-0001A</b>		<b>SW846 5035B/8260B</b>	<b>Purgeable VOCs by GC/MS</b>					By <b>TRS</b>		
V06239	XG 2006.592.12	71-43-2	Benzene	ND	mg / Kg	1	0.005		05-12-06	05-12-06
V06239	XG 2006 592 12	100-41-4	Ethylbenzene	ND	mg / Kg	1	0.005		05-12-06	05-12-06
V06239	XG 2006.592.12	95-47-6	o-Xylene	ND	mg / Kg	1	0.005		05-12-06	05-12-06
V06239	XG 2006 592 12	108-38-3/106-42	p/m-Xylenes	ND	mg / Kg	1	0.01		05-12-06	05-12-06
V06239	XG 2006 592 12	108-88-3	Toluene	ND	mg / Kg	1	0.005		05-12-06	05-12-06
<b>0605213-0001A</b>		<b>SW846 8015B</b>	<b>Diesel Range Organics by GC/FID</b>					By <b>RLG</b>		
S06262	XG 2006 596 38		Diesel Range Organics	ND	mg / Kg	1	25		05-15-06	05-16-06
<b>0605213-0001A</b>		<b>SW846 9056</b>	<b>Anions by Ion Chromatography</b>					By <b>JTK</b>		
W06354	WC 2006 1184 9	16887-00-6	Chloride	724	mg / Kg	50	0.5		05-10-06	05-10-06

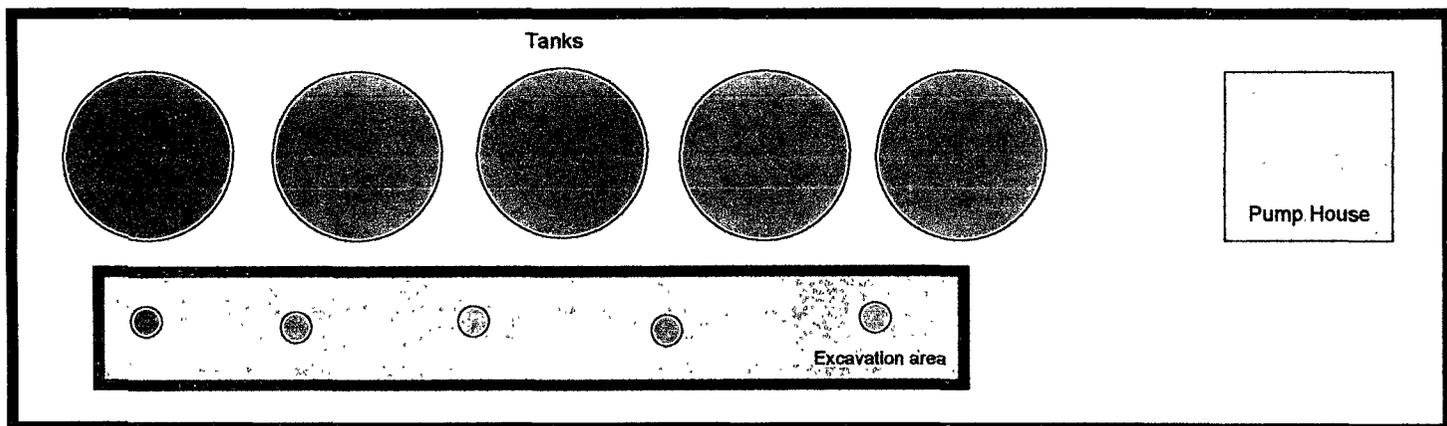
Unless otherwise noted, all samples were received in acceptable condition and all sampling was performed by client or client representative. Sample result of ND indicates Not Detected, ie result is less than the sample specific Detection Limit. Sample specific Detection Limit is determined by multiplying the sample Dilution Factor by the listed Reporting Detection Limit. All results relate only to the items tested. Any miscellaneous workorder information or footnotes will appear below.

Analytical results are not corrected for method blank or field blank contamination.

MEMO Samples were received at 14.5 degrees Celsius



Berm



Sample ID	Sample Date	Sample Type	Depth	BTEX	Chlorides	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
YAT01	5/5/2006	Grab/Auger	12'	ND	724	ND	ND	ND

Site Ranking is Ten (10). Depth to Ground Water 50-99' (approx. 81'). All results are ppm.



**Brown SWD #1**  
**Section 26, T16S-R37E**  
**Lea County, NM**

**EXHIBIT**  
**Sample Diagram (Not to Scale)**  
  
Prepared by Robert Asher  
Environmental Regulatory Agent  
October 8, 2007