August 17, 2010

Mr. Mike Bratcher New Mexico Oil Conservation Division 1301 West Grand Ave. Artesia, NM 88210

Re: Federal CW-B #4 30-015-23200 Section 1, T19S-R24E Eddy County, New Mexico

Dear Mr. Bratcher:

Yates Petroleum Corp. would like to submit for your consideration the enclosed work plan for the above captioned well. Scope of work described in the plan will be conducted as soon as the work plan is approved and a contractor can be scheduled.

If you have any questions call me at

Thank you.

Yates Petroleum Corporation

Amanda Trujillo Environmental Scientist 575-748-4310

Enclosure(s)

Yates Petroleum Corporation Federal CW-B #4 Work Plan Section 1, T19S-R24E Eddy County, New Mexico August 17, 2010

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Location

South on 285 to Kincaid Ranch Road. Turn West. Follow road to Double cattle guard. Enter south gate and follow road to end of fence line. Turn south location is on left. Section 1, T19S-R24E Eddy County, New Mexico

II. Background

The rancher located the flow line leak and reported it to Jim Amos with the BLM. Yates was notified and excavated and hauled off the contaminated material immediately. Samples were taken and the hole, which measures 15' x 15' x 3', was left open to volatize.

The area in question has a site ranking of zero, with depth to ground water being greater then 300 feet. As per OCD guidelines a site ranking of zero, requires a recommended clean up level of :

Benzene 10 ppm BTEX 50 ppm TPH 5000 ppm

III. Surface and Ground Water

Area soil series is an Upton-Reagan Complex according to NRCS Web Soil Survey. Characterized by 0 - 9 % slope, well drained and a textural class of gravelly loam. Depth to ground water is approximately 300 feet deep according to the State Engineer's Office. Watercourses in the area are dry except for infrequent flows in response to major precipitation events.

The ranking for this site is zero (0) based on the as following:

Depth to ground water	> 100'
Wellhead Protection Area	> 1000'
Distance to surface water body	> 1000'

IV. Soils

The Upton series is characterized by a textural class of a gravelly sandy loam with a parent material of residuum weathered from limestone. Characteristics also include high hydraulic conductivity within the first 13" inches at which point peculation becomes highly restricted due to a shallow petrocalcic horizon. Description of landforms includes gentle slopes with vegetation dominated primarily by mesquite (*Prosopis spp.*) as well as several grass species including Sand Drop Seed (*Sporobolus cryptandrus*).

V. Scope of Work

Upon approval of this work plan and based on the enclosed diagram, Yates Petroleum Corp. will have a contractor excavate additional material until the OCD recommended action levels are reached, through both vertical and horizontal delineation. At this time clean material will be added and reseeded. Re-contouring and erosion control are not necessary given the small area excavated and level contour o the land. The site will be planted with a combination of BLM approved seed mixtures #1 and #4. The goal of this reclamation effort is the establishment of Plains Lovegrass (*Eragrostis intermedia*), Sideoats gramma (*Bouteloua curtipendula*), Sand Drop Seed (*Sporobolus cryptandrus*) and Alkali Sacaton (*Sporobolus airoides*).



Sample	;	GRO	DRO	Total	BTEX	Benzene	Chloride
SW	6/10/2010	10	141	151	0.638	0.05	8484
	7/28/2010	10	97	107	0.45	0.05	7920
SE	6/10/2010	609	6240	6849	7.352	0.05	12000
	7/28/2010	1030	6520	7550	62.41	1.94	11600
NE	6/10/2010	299	3660	3959	5.027	0.05	288
	7/28/2010	37.7	1590	1627.7	13.59	0.402	2040
NW	6/10/2010	64.9	787	851.9	1.251	0.05	11200
	7/28/2010	72.5	1640	1712.5	3.642	0.05	4000
Center	6/10/2010	566	4430	4996	9.95	0.05	6640
	7/28/2010	51.8	2170	2221.8	1.119	0.05	3000