MEMORANDUM

TO:

MIKE BRATCHER, NMOCD

FROM:

AMANDA TRUJILLO, YATES PETROLEUM CORP.

SUBJECT: FEDERAL CW-B #4 S1 T19S R24E API 30-015-23200

DATE:

8/17/2010

CC:

JERRY FANNING, LISA NORTON

Mr. Mike Bratcher:

This memorandum is an addendum to the Work Plan created for the Federal CW-B #4. The attached work plan was submitted to and approved by Mr. Jim Amos of the BLM on July 21, 2010.

Additional material was excavated from the location on July 20, 2010 and samples were taken on July 27, 2010 and returned by lab on August 3, 2010. YPC has scheduled a contractor to remove additional soil from hot spot on August 17, 2010.

If you have any additional questions please feel free to contact me.

Thank you,

Amanda Trujillo

Environmental Scientist Yates Petroleum Corporation Office 575-748-4310 Cell 575-703-6537 Email atrujillo@yatespetroleum.com July 1, 2010

Mr. Jim Amos Bureau of Land Management 620 E. Green Street Carlsbad, NM 88220

Re:

Federal CW-B #4 30-015-23200 Section 1, T19S-R24E

Eddy County, New Mexico

Dear Mr. Amos:

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
July 1, 2010

I. 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. Tentative plans were made to continue excavations following the 4th of July Holiday. This is time was picked because seeding was being completed.

LAB NO. SAMPLE ID	GRO	DRO (>C ₁₀ -C ₂₈) (mg/kg)			ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)	CI* (mg/kg)
	(C ₆ -C ₁₀)		BENZENE (mg/kg)	TOLUENE (mg/kg)			
	(mg/kg)						
ANALYSIS DATE:	06/11/10	06/11/10	06/11/10	06/11/10	06/11/10	06/11/10	06/11/10
H20083-1 SAMPLE 1	609	6,240	<0.050	1.02	0.972	5.31	12,000
H20083-2 SAMPLE 2	<10.0	141	<0.050	0.088	0.071	0.429	8,480
H20083-3 SAMPLE 3	64.9	787	<0.050	0.438	0.462	3.01	11,200
H20083-4 SAMPLE 4	299	3,660	<0.050	0.697	0.590	3.69	288
H20083-5 SAMPLE 5	566	4,430	<0.050	1.61	1.57	6.72	6,640

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 analytical results, Yates Petroleum Corp. will have a contractor excavate additional material until the petrocalcic is exposed 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*).