MARTIN YATES, III

FRANK W. YATES

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ARTESIA, NEW MEXICO 88210-2118

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JAMES S. BROWN CHIEF OPERATING OFFICER

July 29, 2015

Mr. Mike Bratcher/Mrs. Heather Patterson NMOCD District II 811 S. First St. Artesia. NM 88210

Re:

State CO SWD System (West of Saguaro #4 Battery)

30-015-26420

Section 14, T20S-R24E Eddy County, New Mexico

Mr. Bratcher/Mrs. Patterson,

Yates Petroleum Corporation is submitting the enclosed work plan for the above captioned well. The plan is being submitted in response to the C-141 report dated February 10, 2015.

If there are no objections with the scope of work described in the plan, Yates will have a contractor begin work on or after August 14, 2015.

If you have any questions, feel free to call me at (575) 748-4171

Thank you.

YATES PETROLEUM CORPORATION

Chase Settle Environmental Regulatory Agent

Enclosure(s)

Yates Petroleum Corporation

State CO SWD System (West of Saguaro #4 Battery)

Section 14, T20S-R24E

Eddy County, New Mexico

July 29, 2015

I. Location

Go south from Artesia on HWY 285 for approximately 15 miles to Rock Daisy Road (CR-23) then turn west for approximately 8.4 miles to Sawbuck Road (CR-26), turn south for approximately 2.3 miles, then turn east on lease road for 0.25 mile before turning south for approximately 0.8 mile to arrive at release site.

II. Background

On February 10, 2015, Yates Petroleum Corporation submitted to the NMOCD District II office a Form C-141 for the release of an unknown amount with none recovered. The total affected area was approximately 60 feet by 60 feet around the 12 inch poly produced water transfer line. Initial delineation samples were taken in the release area (3/19/2015) and sent to a NMOCD approved laboratory (3/24/2015, results enclosed).

III. Surface and Ground Water

Area surface geology is Mesozoic Permian. The ChevronTexaco Trend Map displays at this location (Section 14, T20S-R24E) that depth to groundwater is approximately 230 feet making the site ranking for this site a zero (0). 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:

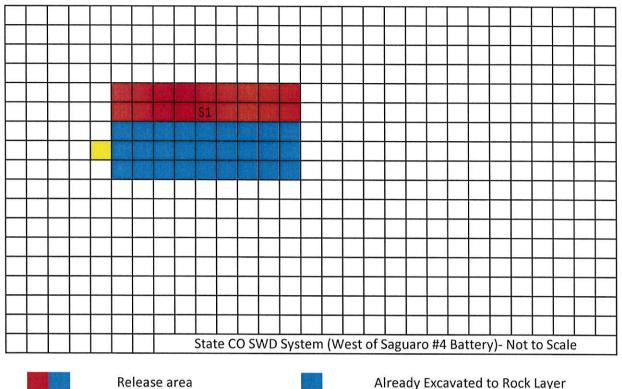
Depth to ground water > 100'
Wellhead Protection Area > 1000'
Distance to surface water body > 1000'

IV. Soils

The area consists of soils that are loamy topsoil interspersed with clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface and an impermeable rock layer at approximately four (4) feet below surface level.

V. Scope of Work

Based on enclosed analytical results, the depth to groundwater (230'), and an impermeable rock layer at approximately four (4) feet, Yates Petroleum Corporation will excavate all soils above the impermeable rock layer (approximately 4 feet) and haul excavated material to an NMOCD approved facility for disposal. The excavation will then be back filled with approximately two (2) feet of caliche and two (2) feet of topsoil allowing for repopulation of vegetation. The TPH and BTEX are within the RRAL's for BTEX (50 ppm) and TPH (5000 ppm) for the Total Ranking Score of zero (0), no further analytical testing of TPH and/or BTEX will be conducted (all chloride analytical results are for documentation). When remediation work is completed a C-141 Final Report will be submitted to the NMOCD requesting closure of the site.



	Release area	Already Excavated to Rock Layer
S1	Sample Point	Tinhorn

H500756	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	Chlorides
S1-1'	Release Area	3/19/2015	Backhoe	1'	<0.3	<10.0	<10.0	8560
S1-2 ¹	Release Area	3/19/2015	Backhoe	2'	<0.3	<10.0	<10.0	4320
S1-3'	Release Area	3/19/2015	Backhoe	3'	<0.3	<10.0	168	5440
S1-4'	Release Area	3/19/2015	Backhoe	4'	<0.3	<10.0	<10.0	1620

Site Ranking is Zero (0). >100' (230', Section 14, T20S-R24E, Trend Map All results are ppm. Chlorides for documentation Released: UNKNOWN; Recovered: NONE Release Date: 01/29/2015



March 24, 2015

CHASE SETTLE
YATES PETROLEUM CORPORATION
105 S 4th Street
Artesia, NM 88210

RE: STATE CO SWD SYSTEM (SEGUARO #4)

Enclosed are the results of analyses for samples received by the laboratory on 03/20/15 10:50.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab accred certif.html.

Cardinal Laboratories is accreditated through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2

Haloacetic Acids (HAA-5)

Method EPA 524.2

Total Trihalomethanes (TTHM)

Method EPA 524.4

Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

Celeg D. Keine

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



YATES PETROLEUM CORPORATION CHASE SETTLE 105 S 4th Street Artesia NM, 88210 Fax To: (505) 748-4635

Received:

03/20/2015

Sampling Date:

03/19/2015

Reported:

Sampling Type:

Soil

03/24/2015

Sampling Condition:

Cool & Intact

Project Name:

STATE CO SWD SYSTEM (SEGUARO #4)

Project Number:

NOT GIVEN

Sample Received By:

Jodi Henson

Project Location:

STATE CO SWD SYSTEM (SEGUARO #4)

Sample ID: S1-1 ' (H500756-01)

BTEX 8021B	mg/	kg	Analyze	d By: ms				VARIOUS INC.	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	03/23/2015	ND	1.98	98.8	2.00	7.27	
Toluene*	<0.050	0.050	03/23/2015	ND	1.82	91.2	2.00	6.17	
Ethylbenzene*	<0.050	0.050	03/23/2015	ND	1.75	87.4	2.00	8.17	
Total Xylenes*	<0.150	0.150	03/23/2015	ND	5.29	88.2	6.00	9.28	
Total BTEX	<0.300	0.300	03/23/2015	ND					
Surrogate: 4-Bromofluorobenzene (PIL	107 9	61-154							- Control of the Cont
Chloride, SM4500CI-B	mg/	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	8560	16.0	03/23/2015	ND	416	104	400	0.00	
TPH 8015M	mg/	kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO Ç6-C10	<10.0	10.0	03/23/2015	ND	193	96.3	200	1.27	
DRO >C10-C28	<10.0	10.0	03/23/2015	ND	193	96.7	200	3.23	
Surrogate: 1-Chlorooctane	93.5	% 47.2-15	7						
Surrogate: 1-Chlorooctadecane	98.9	% 52.1-17	6						

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keine



YATES PETROLEUM CORPORATION CHASE SETTLE 105 S 4th Street Artesia NM, 88210 (505) 748-4635 Fax To:

Received:

03/20/2015

Sampling Date:

03/19/2015

Reported:

03/24/2015

Sampling Type:

Soil

Project Name:

STATE CO SWD SYSTEM (SEGUARO #4)

Sampling Condition:

Cool & Intact

Jodi Henson

Project Number:

NOT GIVEN

Sample Received By:

Project Location:

STATE CO SWD SYSTEM (SEGUARO #4)

Sample ID: S1-2' (H500756-02)

BTEX 8021B	mg/	kg	Analyze	d By: ms					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	03/23/2015	ND	1.98	98.8	2.00	7.27	
Toluene*	< 0.050	0.050	03/23/2015	ND	1.82	91.2	2.00	6.17	
Ethylbenzene*	<0.050	0.050	03/23/2015	ND	1.75	87.4	2.00	8.17	
Total Xylenes*	<0.150	0.150	03/23/2015	ND	5.29	88.2	6.00	9.28	
Total BTEX	<0.300	0.300	03/23/2015	ND					
Surrogate: 4-Bromofluorobenzene (PIL	106 %	61-154							
Chloride, SM4500CI-B	mg/	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	4320	16.0	03/23/2015	ND	416	104	400	0.00	
TPH 8015M	mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/23/2015	ND	193	96.3	200	1.27	
DRO >C10-C28	<10.0	10.0	03/23/2015	ND	193	96.7	200	3.23	
Surrogate: 1-Chlorooctane	98.1	% 47.2-15	7						
Surrogate: 1-Chlorooctadecane									

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YATES PETROLEUM CORPORATION CHASE SETTLE 105 S 4th Street Artesia NM, 88210

Fax To:

(505) 748-4635

Received:

03/20/2015

Sampling Date:

03/19/2015

Reported:

Sampling Type:

Soil

Project Name:

03/24/2015

Sampling Condition:

Cool & Intact

Project Number:

STATE CO SWD SYSTEM (SEGUARO #4) NOT GIVEN

Sample Received By:

Jodi Henson

Project Location:

STATE CO SWD SYSTEM (SEGUARO #4)

Sample ID: S1-3' (H500756-03)

BTEX 8021B	mg/	kg	Analyze	d By: ms					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	03/23/2015	ND	1.98	98.8	2.00	7.27	
Toluene*	<0.050	0.050	03/23/2015	ND	1.82	91.2	2.00	6.17	
Ethylbenzene*	<0.050	0.050	03/23/2015	ND	1.75	87.4	2.00	8.17	
Total Xylenes*	<0.150	0.150	03/23/2015	ND	5.29	88.2	6.00	9.28	
Total BTEX	<0.300	0.300	03/23/2015	ND					
Surrogate: 4-Bromofluorobenzene (PIL	104 %	6 61-154							
Chloride, SM4500CI-B	mg/	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	5440	16.0	03/23/2015	ND	416	104	400	0.00	
TPH 8015M	mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/23/2015	ND	193	96.3	200	1.27	
DRO >C10-C28	168	10.0	03/23/2015	ND	193	96.7	200	3.23	
Surrogate: 1-Chlorooctane	92.2	% 47.2-15	7						
Surrogate: 1-Chlorooctadecane	102 9	6 52.1-17	6						

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YATES PETROLEUM CORPORATION CHASE SETTLE 105 S 4th Street Artesia NM, 88210

Fax To:

(505) 748-4635

Received:

03/20/2015

Sampling Date:

03/19/2015

Reported:

03/24/2015

Sampling Type:

Soil

Project Name:

STATE CO SWD SYSTEM (SEGUARO #4)

Sampling Condition:

Cool & Intact

Project Number:

NOT GIVEN

Sample Received By:

Jodi Henson

Project Location:

STATE CO SWD SYSTEM (SEGUARO #4)

Sample ID: S1-4' (H500756-04)

BTEX 8021B	mg/	kg	Analyze	d By: ms					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	03/23/2015	ND	1.98	98.8	2.00	7.27	
Toluene*	<0.050	0.050	03/23/2015	ND	1.82	91.2	2.00	6.17	
Ethylbenzene*	<0.050	0.050	03/23/2015	ND	1.75	87.4	2.00	8.17	
Total Xylenes*	<0.150	0.150	03/23/2015	ND	5.29	88.2	6.00	9.28	
Total BTEX	<0.300	0.300	03/23/2015	ND					
Surrogate: 4-Bromofluorobenzene (PIL	105 9	% 61-154						on the second	
Chloride, SM4500Cl-B	mg/	kg	Analyze	d By: AP		a ::			
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	1620	16.0	03/23/2015	ND	416	104	400	0.00	
TPH 8015M	mg/	kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/23/2015	ND	193	96.3	200	1.27	
DRO >C10-C28	<10.0	10.0	03/23/2015	ND	193	96.7	200	3.23	
Surrogate: 1-Chlorooctane	93.4	% 47.2-15	7						
Surrogate: 1-Chlorooctadecane	101	% 52.1-17	6						

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Notes and Definitions

RPD Relative Percent Difference

** Samples not received at proper temperature of 6°C or below.

*** Insufficient time to reach temperature.

Analyte NOT DETECTED at or above the reporting limit

Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

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Standard TAT

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CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

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