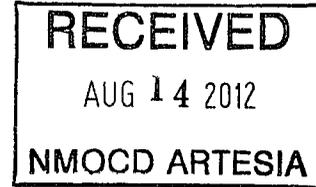


August 14, 2012



Mr. Mike Bratcher  
Oil Conservation Division  
Artesia, NM

Re: Santa Fe Land SWD #1  
30-015-20501  
Section 17, T19S-R26E  
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. The plan is being submitted in response to the C-141 report dated August 8, 2012.

**If there are no objections with the scope of work described in the plan, Yates will have a contractor begin work on or after the week of August 28, 2012.**

If you have any questions call me at 575-748-4311

Thank you.

Yates Petroleum Corporation

Jeremy Haass  
Environmental Regulatory Agent

Enclosure(s):

Diagram of Location  
Analytical Report H201822

**Yates Petroleum Corporation**

**Santa Fe Land SWD #1**

**Section 17, T19S-R26E**

**Eddy County, New Mexico**

**August 14, 2012**

**I. Location**

Take Highway 285 south out of Artesia, NM to Rocking R Road and turn right then first right takes you to location.

**II. Background**

On July 30, 2012 a release occurred of 200 B/PW of which 180 B/PW was recovered. Yates submitted a C-141 on August 8, 2012 to the NMOCD District II office. The total affected area was 40 yards x 100 yards. Initial delineation samples were taken (8/3/12) and sent to an NMOCD approved laboratory.

**III. Surface and Ground Water**

Area surface geology is Cenozoic. The nearest Depth to Groundwater record listed on the Chevron Texaco Trend Map (Section 17, T19S-R26E) shows depth of groundwater to be approximately 116 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 caliche and interspersed with clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface.

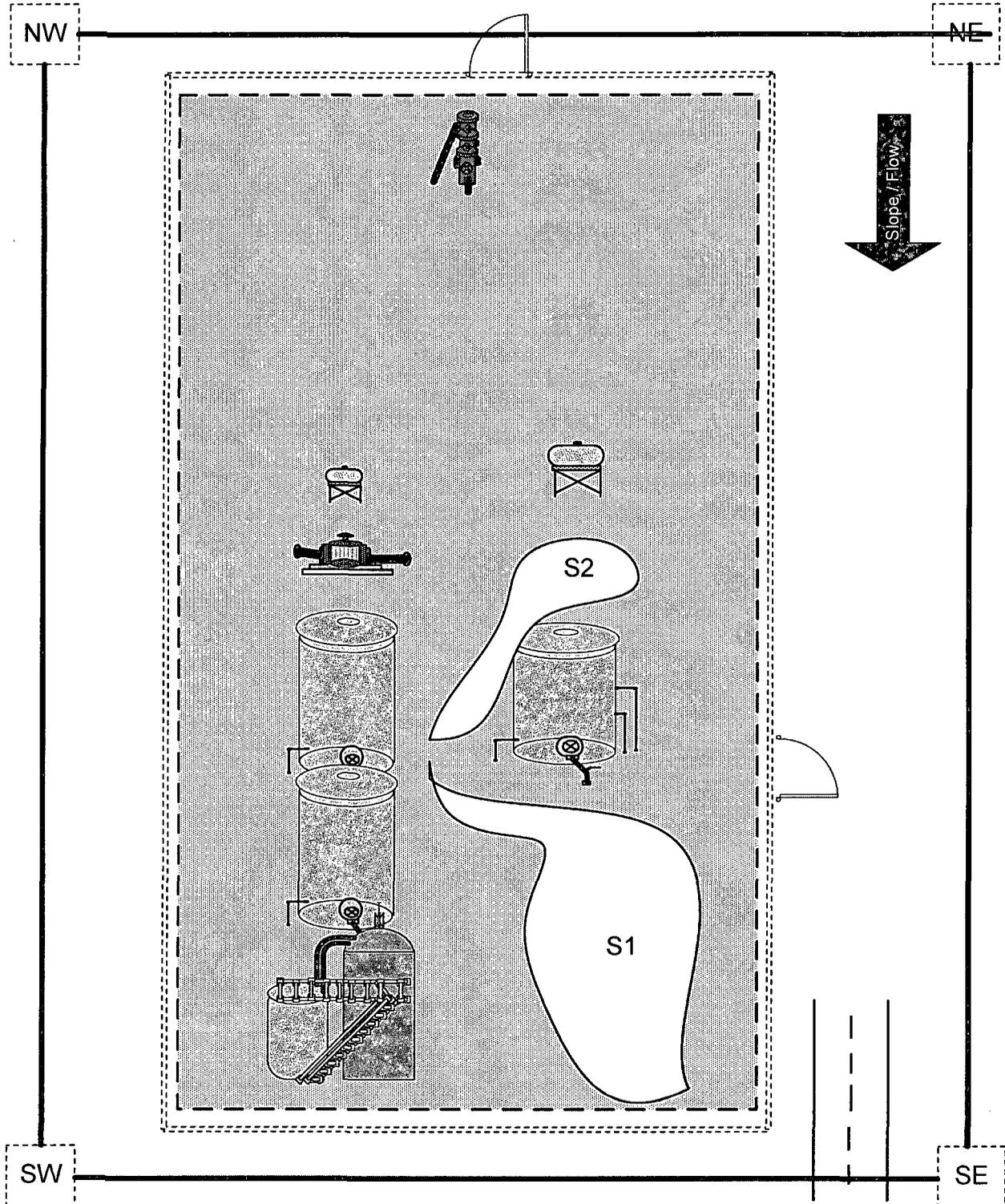
**V. Scope of Work**

Upon approval of this work plan and based on the enclosed analytical results, Yates Petroleum Corp. will have a contractor excavate 5' from sample area S1 and 2' from sample area S2 of impacted soil. Impacted soils will be taken to an NMOCD approved facility for disposal. The S1 area has a solid natural rock layer at approximately 5' which impeded the movement of chlorides any further down. All impacted material will be removed above the rock layer and hauled to an NMOCD approved facility for disposal and will be backfilled with like material. Finally a liner will be placed over both S1 and S2 areas to protect against future releases.

# YATES PETROLEUM CORPORATION

8/14/2012

Santa Fe Land Improvement SWD #1  
API # 30-015-20501



Analytical Report: H201822	Sample Date	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
S1 2' °	8/3/2012	2'	ND	ND	24.7	24.7	3200
S1 4' °	8/3/2012	4'	ND	ND	ND	ND	5600
S1 5' °	8/3/2012	5'	ND	ND	ND	ND	9280

S2 2' °	8/3/2012	2'	ND	ND	ND	ND	6800
S2 4'	8/3/2012	4'	ND	ND	ND	ND	672
S2 6'	8/3/2012	6'	ND	ND	ND	ND	2960
S2 8'	8/3/2012	8'	ND	ND	ND	ND	960

Site Ranking is Zero (0). Depth to Ground Water >100' (approx. 116', per Trend Map).

All results are ppm. Chlorides for documentation.

Released: 200 B/PW; Recovered: 180 B/PW. Release Date: 7/30/2012

° and Red indicate soil was removed

August 11, 2012

JEREMY HAASS

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: SANTA FE LAND SWD #1

Enclosed are the results of analyses for samples received by the laboratory on 08/06/12 13:12.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. 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](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

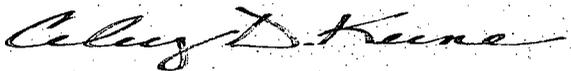
Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

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.

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

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 JEREMY HAASS  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	08/06/2012	Sampling Date:	08/03/2012
Reported:	08/11/2012	Sampling Type:	Soil
Project Name:	SANTA FE LAND SWD #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-20501	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: S 1 2' (H201822-01)**

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/09/2012	ND	1.78	89.1	2.00	4.23		
Toluene*	<0.150	0.150	08/09/2012	ND	1.99	99.7	2.00	3.98		
Ethylbenzene*	<0.050	0.050	08/09/2012	ND	1.96	98.2	2.00	3.75		
Total Xylenes*	<0.150	0.150	08/09/2012	ND	5.88	98.0	6.00	3.30		

Surrogate: 4-Bromofluorobenzene (PIC) 100 % 89.4-126

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	08/07/2012	ND	179	89.7	200	0.339		
<b>DRO &gt;C10-C28</b>	<b>24.7</b>	10.0	08/07/2012	ND	174	87.1	200	1.36		

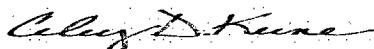
Surrogate: 1-Chlorooctane 92.8 % 65.2-140

Surrogate: 1-Chlorooctadecane 94.3 % 63.6-154

Cardinal Laboratories

\* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 JEREMY HAASS  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	08/06/2012	Sampling Date:	08/03/2012
Reported:	08/11/2012	Sampling Type:	Soil
Project Name:	SANTA FE LAND SWD #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-20501	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: S 1 4' (H201822-02)**

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/10/2012	ND	1.78	89.1	2.00	4.23		
Toluene*	<0.150	0.150	08/10/2012	ND	1.99	99.7	2.00	3.98		
Ethylbenzene*	<0.050	0.050	08/10/2012	ND	1.96	98.2	2.00	3.75		
Total Xylenes*	<0.150	0.150	08/10/2012	ND	5.88	98.0	6.00	3.30		

Surrogate: 4-Bromofluorobenzene (PIE) 94.7 % 89.4-126

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	08/07/2012	ND	179	89.7	200	0.339		
DRO >C10-C28	<10.0	10.0	08/07/2012	ND	174	87.1	200	1.36		

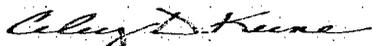
Surrogate: 1-Chlorooctane 95.4 % 65.2-140

Surrogate: 1-Chlorooctadecane 94.1 % 63.6-154

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\*=Accredited Analyte

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 JEREMY HAASS  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	08/06/2012	Sampling Date:	08/03/2012
Reported:	08/11/2012	Sampling Type:	Soil
Project Name:	SANTA FE LAND SWD #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-20501	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: S 1 5' (H201822-03)**

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/10/2012	ND	1.78	89.1	2.00	4.23		
Toluene*	<0.150	0.150	08/10/2012	ND	1.99	99.7	2.00	3.98		
Ethylbenzene*	<0.050	0.050	08/10/2012	ND	1.96	98.2	2.00	3.75		
Total Xylenes*	<0.150	0.150	08/10/2012	ND	5.88	98.0	6.00	3.30		

Surrogate: 4-Bromofluorobenzene (PIC) 98.6 % 89.4-126

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	08/07/2012	ND	179	89.7	200	0.339		
DRO >C10-C28	<10.0	10.0	08/07/2012	ND	174	87.1	200	1.36		

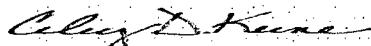
Surrogate: 1-Chlorooctane 95.4 % 65.2-140

Surrogate: 1-Chlorooctadecane 95.8 % 63.6-154

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\*=Accredited Analyte

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 Yates Energy Petroleum Corp  
 JEREMY HAASS  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

 Received: 08/06/2012  
 Reported: 08/11/2012  
 Project Name: SANTA FE LAND SWD #1  
 Project Number: 30-015-20501  
 Project Location: EDDY COUNTY, NM

 Sampling Date: 08/03/2012  
 Sampling Type: Soil  
 Sampling Condition: Cool & Intact  
 Sample Received By: Jodi Henson

**Sample ID: S 2 2' (H201822-04)**

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/10/2012	ND	1.78	89.1	2.00	4.23		
Toluene*	<0.150	0.150	08/10/2012	ND	1.99	99.7	2.00	3.98		
Ethylbenzene*	<0.050	0.050	08/10/2012	ND	1.96	98.2	2.00	3.75		
Total Xylenes*	<0.150	0.150	08/10/2012	ND	5.88	98.0	6.00	3.30		

Surrogate: 4-Bromofluorobenzene (PIC) 116 % 89.4-126

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	08/07/2012	ND	179	89.7	200	0.339		
DRO >C10-C28	<10.0	10.0	08/07/2012	ND	174	87.1	200	1.36		

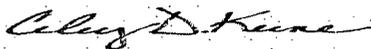
Surrogate: 1-Chlorooctane 96.5 % 65.2-140

Surrogate: 1-Chlorooctadecane 98.6 % 63.6-154

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 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	08/06/2012	Sampling Date:	08/03/2012
Reported:	08/11/2012	Sampling Type:	Soil
Project Name:	SANTA FE LAND SWD #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-20501	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: S 2 4' (H201822-05)**

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/10/2012	ND	1.78	89.1	2.00	4.23		
Toluene*	<0.150	0.150	08/10/2012	ND	1.99	99.7	2.00	3.98		
Ethylbenzene*	<0.050	0.050	08/10/2012	ND	1.96	98.2	2.00	3.75		
Total Xylenes*	<0.150	0.150	08/10/2012	ND	5.88	98.0	6.00	3.30		

Surrogate: 4-Bromofluorobenzene (PIC) 100 % 89.4-126

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	08/07/2012	ND	179	89.7	200	0.339		
DRO >C10-C28	<10.0	10.0	08/07/2012	ND	174	87.1	200	1.36		

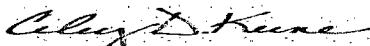
Surrogate: 1-Chlorooctane 95.4 % 65.2-140

Surrogate: 1-Chlorooctadecane 96.3 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 JEREMY HAASS  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	08/06/2012	Sampling Date:	08/03/2012
Reported:	08/11/2012	Sampling Type:	Soil
Project Name:	SANTA FE LAND SWD #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-20501	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: S 2 6' (H201822-06)**

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/10/2012	ND	1.78	89.1	2.00	4.23		
Toluene*	<0.150	0.150	08/10/2012	ND	1.99	99.7	2.00	3.98		
Ethylbenzene*	<0.050	0.050	08/10/2012	ND	1.96	98.2	2.00	3.75		
Total Xylenes*	<0.150	0.150	08/10/2012	ND	5.88	98.0	6.00	3.30		

Surrogate: 4-Bromofluorobenzene (PIE) 99.9 % 89.4-126

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	08/07/2012	ND	179	89.7	200	0.339		
DRO >C10-C28	<10.0	10.0	08/07/2012	ND	174	87.1	200	1.36		

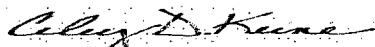
Surrogate: 1-Chlorooctane 100 % 65.2-140

Surrogate: 1-Chlorooctadecane 104 % 63.6-154

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**Analytical Results For:**

 Yates Energy Petroleum Corp  
 JEREMY HAASS  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	08/06/2012	Sampling Date:	08/03/2012
Reported:	08/11/2012	Sampling Type:	Soil
Project Name:	SANTA FE LAND SWD #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-20501	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: S 2 8' (H201822-07)**

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/10/2012	ND	1.78	89.1	2.00	4.23		
Toluene*	<0.150	0.150	08/10/2012	ND	1.99	99.7	2.00	3.98		
Ethylbenzene*	<0.050	0.050	08/10/2012	ND	1.96	98.2	2.00	3.75		
Total Xylenes*	<0.150	0.150	08/10/2012	ND	5.88	98.0	6.00	3.30		

Surrogate: 4-Bromofluorobenzene (PIC) 98.1 % 89.4-126

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	08/07/2012	ND	179	89.7	200	0.339		
DRO >C10-C28	<10.0	10.0	08/07/2012	ND	174	87.1	200	1.36		

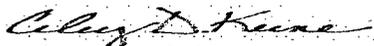
Surrogate: 1-Chlorooctane 92.1 % 65.2-140

Surrogate: 1-Chlorooctadecane 93.2 % 63.6-154

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\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

### Notes and Definitions

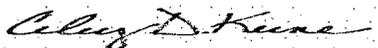
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

---

Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



August 13, 2012

JEREMY HAASS

Yates Energy Petroleum Corp

105 S 4th Street

Artesia, NM 88210

RE: SANTA FE LAND SWD #1

Enclosed are the results of analyses for samples received by the laboratory on 08/06/12 13:12.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. 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](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

Cardinal Laboratories is accredited 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.

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,



Caley D. Keene

Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 JEREMY HAASS  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	08/06/2012	Sampling Date:	08/03/2012
Reported:	08/13/2012	Sampling Type:	Soil
Project Name:	SANTA FE LAND SWD #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-20501	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: S 1 2' (H201822-01)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	3200	16.0	08/13/2012	ND	400	100	400	3.92		

**Sample ID: S 1 4' (H201822-02)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	5600	16.0	08/13/2012	ND	400	100	400	3.92		

**Sample ID: S 1 5' (H201822-03)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	9280	16.0	08/13/2012	ND	400	100	400	3.92		

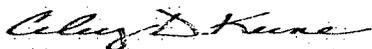
**Sample ID: S 2 2' (H201822-04)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	6800	16.0	08/13/2012	ND	400	100	400	3.92		

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 Yates Energy Petroleum Corp  
 JEREMY HAASS  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	08/06/2012	Sampling Date:	08/03/2012
Reported:	08/13/2012	Sampling Type:	Soil
Project Name:	SANTA FE LAND SWD #1	Sampling Condition:	Cool & Intact
Project Number:	30-015-20501	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

**Sample ID: S 2 4' (H201822-05)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	672	16.0	08/13/2012	ND	400	100	400	3.92	

**Sample ID: S 2 6' (H201822-06)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	2960	16.0	08/13/2012	ND	400	100	400	3.92	

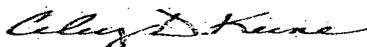
**Sample ID: S 2 8' (H201822-07)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	960	16.0	08/13/2012	ND	416	104	400	0.00	

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Celey D. Keene, Lab Director/Quality Manager

### Notes and Definitions

- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- \*\* Samples not received at proper temperature of 6°C or below.
- \*\*\* Insufficient time to reach temperature.
- 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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