

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

July 3, 2007

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

RE: 1RP-1055  
Caper BFE Federal #2  
30-025-37439  
Section 17, T21S-R32E  
Lea County, New Mexico

Dear Mr. Williams,

Yates Petroleum Corporation would like to re-submit a closure request for the captioned site. Enclosed, please find a C-141 Final Report, Analytical Reports for sampling conducted on September 13, 2006 (samples were tested for TPH, BTEX and Chlorides), and a sample diagram. The contaminated soils were excavated and taken to an OCD approved disposal facility and the vegetation and light deposits within the release area was sprayed with Microblaze. Site ranking is Zero (0) with the depth to ground water at approximately 110'. 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 Caper BFE Federal #2	API Number 30-025-37439	Facility Type Flow Line

Surface Owner Federal	Mineral Owner Federal	Lease No. NM-94095
--------------------------	--------------------------	-----------------------

**LOCATION OF RELEASE**

Unit Letter K	Section 17	Township 21S	Range 32E	Feet from the 2310	North/South Line South	Feet from the 2310	East/West Line West	County Lea
------------------	---------------	-----------------	--------------	-----------------------	---------------------------	-----------------------	------------------------	---------------

Latitude 32.47766 Longitude 103.69746

**NATURE OF RELEASE**

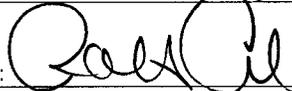
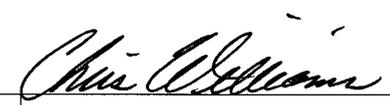
Type of Release Produced Water & Crude Oil	Volume of Release 25 B/PW & 5 B/O	Volume Recovered 0 B/PW & 1 B/O
Source of Release Flow Line	Date and Hour of Occurrence 2/17/2006 AM	Date and Hour of Discovery 2/17/2006 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson, Hobbs OCD (voice mail) Confirmed by e-mail	
By Whom? Dan Dolan	Date and Hour 2/17/2006 at 10:00 AM	
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.\*  
Hole in flow line, line repaired.

Describe Area Affected and Cleanup Action Taken.\*  
An approximate area of 135' X 225'. Contaminated soils were removed, Microblaze was sprayed on weeds and light deposits, testing will be done to bring it to OCD Standards. Ranking for this area is as follows; Depth to ground water-0, Wellhead protection area-0, Distance to surface water-0. **With analytical results (enclosed), 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: 	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Robert Asher	Approved by District Supervisor: 	
Title: Environmental Regulatory Agent	Approval Date <u>9/26/07</u>	Expiration Date: <u>9/26/07</u>
E-mail Address: boba@ypcnm.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Tuesday, July 03, 2007	Phone: 505-748-1471	

\* Attach Additional Sheets If Necessary

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

Form C-141  
Revised October 10, 2003

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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 Caper BFE Federal #2	API Number 30-025-37439	Facility Type Flow Line

Surface Owner Federal	Mineral Owner Federal	Lease No. NM-94095
--------------------------	--------------------------	-----------------------

LOCATION OF RELEASE

Unit Letter K	Section 17	Township 21S	Range 32E	Feet from the 2310	North/South Line South	Feet from the 2310	East/West Line West	County Lea
------------------	---------------	-----------------	--------------	-----------------------	---------------------------	-----------------------	------------------------	---------------

Latitude 32.47766 Longitude 103.69746

NATURE OF RELEASE

Type of Release Produced Water & Crude Oil	Volume of Release 25 B/PW & 5 B/O	Volume Recovered 0 B/PW & 1 B/O
Source of Release Flow Line	Date and Hour of Occurrence 2/17/2006 AM	Date and Hour of Discovery 2/17/2006 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson, Hobbs OCD (voice mail) Confirmed by e-mail	
By Whom? Dan Dolan	Date and Hour 2/17/2006 at 10:00 AM	
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.\*  
Hole in flow line, line repaired

Describe Area Affected and Cleanup Action Taken.\*  
An approximate area of 135' X 225'. Contaminated soils were removed. Microblaze was sprayed on weeds and light deposits, testing will be done to bring it to OCD Standards. Ranking for this area is as follows; Depth to ground water-0, Wellhead protection area-0, Distance to surface water-0. With analytical results (enclosed), 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

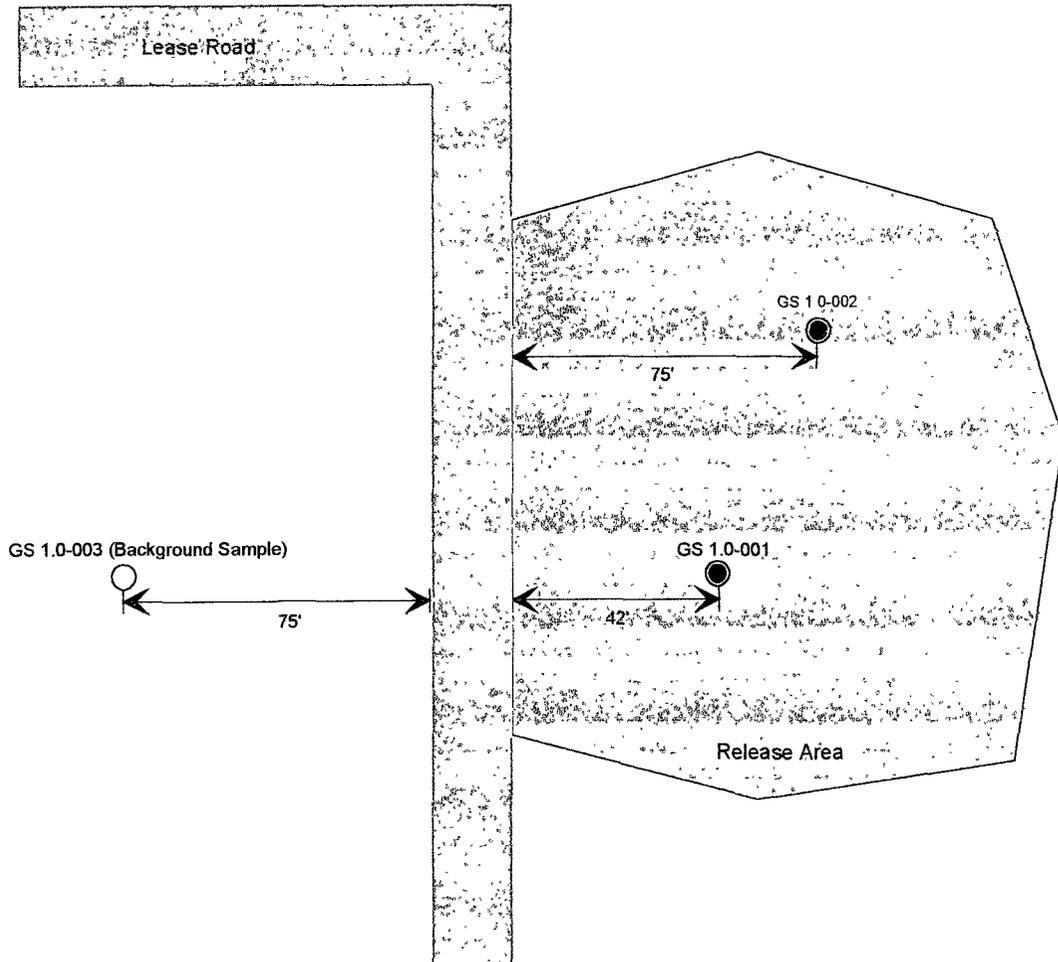
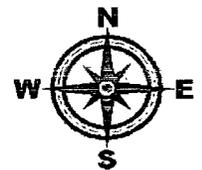
Signature:	OIL CONSERVATION DIVISION	
Printed Name Robert Asher	ACCEPTED  Approved by District Supervisor.	
Title: Environmental Regulatory Agent	Approval Date: 6-27-07	Expiration Date: 8-30-07
E-mail Address boba@ypenn.com	Conditions of Approval: NEED TESTING RESULTS	Attached <input type="checkbox"/>
Date: Monday, September 25, 2006	Phone: 505-748-1471	

\* Attach Additional Sheets, If Necessary

NEED CALIBRATES OF WTS SCALES

incident - NPAC0627540373 application - NPAC0627540607 RP# 1055

IN TABLE FORM -



Sample ID	Sample Date	Sample Type	Depth	BTEX	TPH	Chlorides *	Comments
GS/1.0-001	9/13/2006	Grab/Auger	1'	ND	ND	ND	Release Area, 42' east of pad
GS/1.0-002	9/13/2006	Grab/Auger	1'	ND	ND	ND	Release Area, 75' west of pad
GS/1.0-003	9/13/2006	Grab/Auger	1'	ND	ND	ND	Background Sample

Note: All results are PPM.

\* For Reference



Caper BFE Federal #2

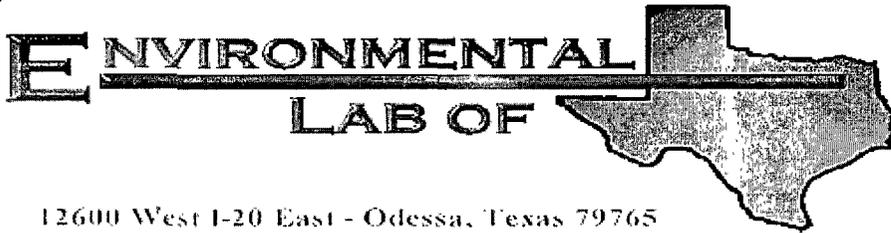
Section 17, T21S-R32E

Lea County, NM

Sample Date: September 13, 2006

**EXHIBIT 1**  
Sample Diagram  
(Not to Scale)

Prepared by Robert Asher  
Environmental Regulatory Agent  
September 25, 2006



12600 West I-20 East - Odessa, Texas 79765

## Analytical Report

**Prepared for:**

Robert Asher  
Yates Petroleum Corp.  
105 S. Fourth St.  
Artesia, NM 88210

Project: Caper BFE Federal #2  
Project Number: 30-025-37439  
Location: Lea County, NM

Lab Order Number: 6115001

Report Date: 09/21/06

Yates Petroleum Corp  
105 S Fourth St  
Artesia NM, 88210

Project Caper BFE Federal #2  
Project Number 30-025-37439  
Project Manager Robert Asher

Fax (505) 748-4662

**ANALYTICAL REPORT FOR SAMPLES**

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
GS1 0-001	6I15001-01	Soil	09/13/06 12 00	09-15-2006 09 45
GS1 0-002	6I15001-02	Soil	09/13/06 12 12	09-15-2006 09 45
GS1 0-003	6I15001-03	Soil	09/13/06 12 26	09-15-2006 09 45

Yates Petroleum Corp  
 105 S Fourth St  
 Artesia NM, 88210

Project Caper BFE Federal #2  
 Project Number 30-025-37439  
 Project Manager Robert Asher

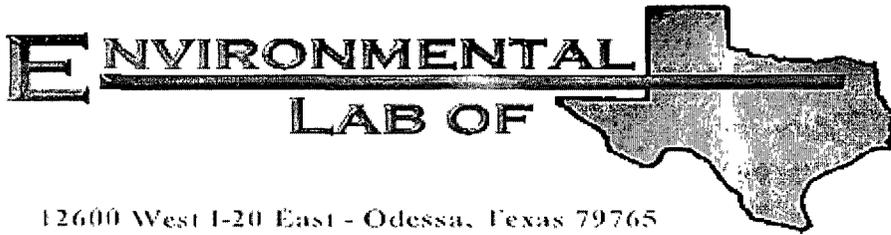
Fax (505) 748-4662

**Organics by GC**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>GSI.0- 001 (6I15001-01) Soil</b>									
Benzene	ND	0.0250	mg/kg dry	25	E161509	09/15/06	09/15/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
<i>Surrogate a,a,a-Trifluorotoluene</i>		83.0 %	80-120		"	"	"	"	
<i>Surrogate 4-Bromofluorobenzene</i>		83.8 %	80-120		"	"	"	"	
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	E161506	09/15/06	09/16/06	EPA 8015B	
Carbon Ranges >C10-C28	ND	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	
<i>Surrogate 1-Chlorooctane</i>		105 %	70-130		"	"	"	"	
<i>Surrogate 1-Chlorooctadecane</i>		97.6 %	70-130		"	"	"	"	
<b>GSI.0- 002 (6I15001-02) Soil</b>									
Benzene	ND	0.0250	mg/kg dry	25	E161509	09/15/06	09/15/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
<i>Surrogate a,a,a-Trifluorotoluene</i>		91.5 %	80-120		"	"	"	"	
<i>Surrogate 4-Bromofluorobenzene</i>		82.2 %	80-120		"	"	"	"	
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	E161506	09/15/06	09/16/06	EPA 8015B	
<b>Carbon Ranges &gt;C10-C28</b>	<b>J [4.13]</b>	10.0	"	"	"	"	"	"	<b>J</b>
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	
<i>Surrogate 1-Chlorooctane</i>		101 %	70-130		"	"	"	"	
<i>Surrogate 1-Chlorooctadecane</i>		96.2 %	70-130		"	"	"	"	
<b>GSI.0- 003 (6I15001-03) Soil</b>									
Benzene	ND	0.0250	mg/kg dry	25	E161509	09/15/06	09/15/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
<i>Surrogate a,a,a-Trifluorotoluene</i>		89.0 %	80-120		"	"	"	"	
<i>Surrogate 4-Bromofluorobenzene</i>		83.0 %	80-120		"	"	"	"	
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	E161506	09/15/06	09/16/06	EPA 8015B	
Carbon Ranges >C10-C28	ND	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	

Environmental Lab of Texas

*The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas*



12600 West I-20 East - Odessa, Texas 79765

## Analytical Report

**Prepared for:**

Robert Asher  
Yates Petroleum Corp.  
105 S. Fourth St.  
Artesia, NM 88210

Project: Caper BFE Federal #2  
Project Number: 30-025-37439  
Location: Lea County, NM

Lab Order Number: 6115001

Report Date: 09/21/06

Yates Petroleum Corp  
105 S Fourth St  
Artesia NM, 88210

Project Caper BFE Federal #2  
Project Number 30-025-37439  
Project Manager Robert Asher

Fax (505) 748-4662

**ANALYTICAL REPORT FOR SAMPLES**

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
GS1 0- 001	6I15001-01	Soil	09/13/06 12 00	09-15-2006 09 45
GS1 0- 002	6I15001-02	Soil	09/13/06 12 12	09-15-2006 09 45
GS1 0- 003	6I15001-03	Soil	09/13/06 12 26	09-15-2006 09 45

Yates Petroleum Corp  
105 S Fourth St  
Artesia NM, 88210

Project Caper BFE Federal #2  
Project Number 30-025-37439  
Project Manager Robert Asher

Fax (505) 748-4662

**General Chemistry Parameters by EPA / Standard Methods**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>GS1.0- 001 (6115001-01) Soil</b>									
Chloride	ND	20.0	mg/kg Wet	2	E161817	09/18/06	09/18/06	SW 846 9253	
<b>GS1.0- 002 (6115001-02) Soil</b>									
Chloride	ND	20.0	mg/kg Wet	2	E161817	09/18/06	09/18/06	SW 846 9253	
<b>GS1.0- 003 (6115001-03) Soil</b>									
Chloride	ND	20.0	mg/kg Wet	2	E161817	09/18/06	09/18/06	SW 846 9253	