

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

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JOHN A. YATES, JR.
SENIOR VICE PRESIDENT

June 21, 2007

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

RE: 1RP-1085
Van Dyke State Unit #1
30-025-37438
Section 17, T10S-R33E
Lea County, New Mexico

Dear Mr. Williams,

Enclosed please find a Form C-141, Final Report for the above captioned site regarding the release on September 29, 2006 (5 bbls of crude oil with 2.5 bbls recovered). Contaminated soils have been excavated and taken to an OCD approved land facility. Per the work plan dated November 30, 2006, samples were taken for delineation on June 13, 2007 (hand augered to 18" only, encountered hard pack caliche). Samples were sent to an OCD approved laboratory for analysis (please see attached analytical reports and sample diagram). Site ranking is twenty (20), with the depth to ground water < 50' (approximately 30'-35'). Based on the remediation work (excavation of contaminated soils) and the analytical reports, Yates Petroleum Corporation requests closure.

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 TH Street	Telephone No. 505-748-1471	
Facility Name Van Dyke State Unit #1	API Number 30-025-37438	Facility Type Battery

Surface Owner Fee	Mineral Owner State	Lease No. V-6088
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	17	10S	33E	330	North	1980	East	Lea

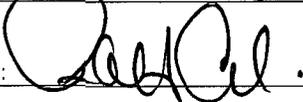
Latitude 33.44098 Longitude 10358810

NATURE OF RELEASE

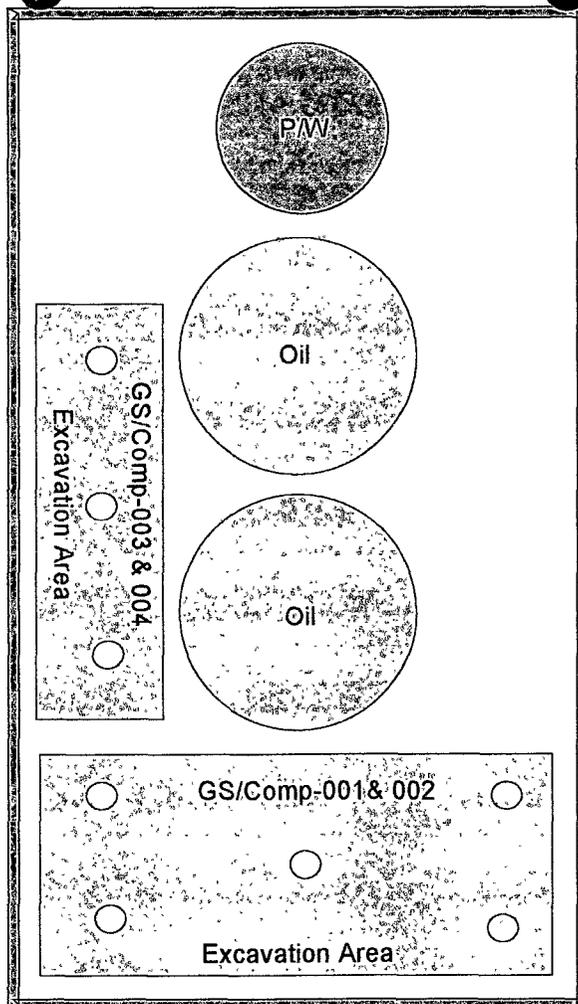
Type of Release Crude Oil	Volume of Release 5.0 B/O	Volume Recovered 2.5 B/O
Source of Release Heater Dump	Date and Hour of Occurrence 9/29/2006 AM	Date and Hour of Discovery 9/29/2006 AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour N/A	
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.* Heater dump stuck open putting all production into water tank, not enough room in tank.		

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 4' X 30'. All fluids contained within berm. Picked up standing fluids, contaminated soils were excavated, hauled to an OCD approved land facility. Vertical and horizontal delineation will be made and corrective action taken. **Depth to Ground Water: < 50'; Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 20. Based on enclosed information, Yates Petroleum Corporation is requesting 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	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:	
Date: Thursday, June 21, 2007 Phone: 505-748-1471	Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary



Sample ID	Sample Date	Sample Type	Depth	BTEX	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
GS/Comp-001	6/13/2007	Grab/Auger	12"	ND	ND	ND	ND
Sample ID	Sample Date	Sample Type	Depth	BTEX	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
GS/Comp-002	6/13/2007	Grab/Auger	18"	ND	ND	ND	ND
Sample ID	Sample Date	Sample Type	Depth	BTEX	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
GS/Comp-003	6/13/2007	Grab/Auger	12"	ND	ND	ND	ND
Sample ID	Sample Date	Sample Type	Depth	BTEX	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
GS/Comp-004	6/13/2007	Grab/Auger	18"	ND	ND	ND	ND

Site Ranking is Twenty (20). Depth to Ground Water < 50' (approx. 30'-35')

All results are ppm.



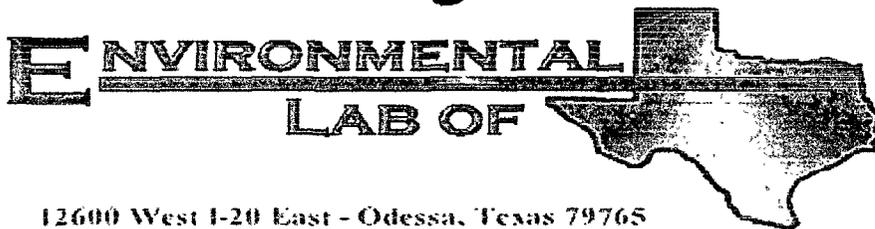
Van Dyke State Unit #1

Section 17, T10S-R33E

Lea County, NM

EXHIBIT
Sample Diagram (Not to Scale)

Prepared by Robert Asher
Environmental Regulatory Agent
June 21, 2007



12600 West I-20 East - Odessa, Texas 79765

A Xenco Laboratories Company

Analytical Report

Prepared for:

Robert Asher

Yates Petroleum Corp.

105 S. Fourth St.

Artesia, NM 88210

Project: Van Dyke State Unit # 1

Project Number: 30-025-37438

Location: Lea County

Lab Order Number: 7F14006

Report Date: 06/21/07

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

Project: Van Dyke State Unit # 1
Project Number: 30-025-37438
Project Manager: Robert Asher

Fax: (505) 748-4662

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
GS/ Comp-001	7F14006-01	Soil	06/13/07 10:12	06-14-2007 10:45
GS/ Comp-002	7F14006-02	Soil	06/13/07 10:34	06-14-2007 10:45
GS/ Comp-003	7F14006-03	Soil	06/13/07 10:54	06-14-2007 10:45
GS/ Comp-004	7F14006-04	Soil	06/13/07 11:08	06-14-2007 10:45

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

Project: Van Dyke State Unit # 1
Project Number: 30-025-37438
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
GS/ Comp-001 (7F14006-01) Soil									
Benzene	ND	0.00200	mg/kg dry	2	EF71809	06/18/07	06/19/07	EPA 8021B	
Toluene	ND	0.00200	"	"	"	"	"	"	
Ethylbenzene	ND	0.00200	"	"	"	"	"	"	
Xylene (p/m)	ND	0.00200	"	"	"	"	"	"	
Xylene (o)	ND	0.00200	"	"	"	"	"	"	
<i>Surrogate: a,a,a-Trifluorotoluene</i>		69.4 %	75-125		"	"	"	"	S-04
<i>Surrogate: 4-Bromofluorobenzene</i>		69.4 %	75-125		"	"	"	"	S-04
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	EF71505	06/15/07	06/15/07	EPA 8015B	
Carbon Ranges >C10-C28	ND	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		83.0 %	70-130		"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		83.2 %	70-130		"	"	"	"	
GS/ Comp-002 (7F14006-02) Soil									
Benzene	ND	0.00200	mg/kg dry	2	EF71809	06/18/07	06/19/07	EPA 8021B	
Toluene	ND	0.00200	"	"	"	"	"	"	
Ethylbenzene	ND	0.00200	"	"	"	"	"	"	
Xylene (p/m)	ND	0.00200	"	"	"	"	"	"	
Xylene (o)	ND	0.00200	"	"	"	"	"	"	
<i>Surrogate: a,a,a-Trifluorotoluene</i>		75.4 %	75-125		"	"	"	"	
<i>Surrogate: 4-Bromofluorobenzene</i>		72.6 %	75-125		"	"	"	"	S-04
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	EF71505	06/15/07	06/15/07	EPA 8015B	
Carbon Ranges >C10-C28	ND	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		84.0 %	70-130		"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		84.0 %	70-130		"	"	"	"	
GS/ Comp-003 (7F14006-03) Soil									
Benzene	ND	0.00200	mg/kg dry	2	EF72011	06/20/07	06/20/07	EPA 8021B	
Toluene	ND	0.00200	"	"	"	"	"	"	
Ethylbenzene	ND	0.00200	"	"	"	"	"	"	
Xylene (p/m)	ND	0.00200	"	"	"	"	"	"	
Xylene (o)	ND	0.00200	"	"	"	"	"	"	
<i>Surrogate: a,a,a-Trifluorotoluene</i>		86.2 %	75-125		"	"	"	"	
<i>Surrogate: 4-Bromofluorobenzene</i>		77.6 %	75-125		"	"	"	"	
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	EF71505	06/15/07	06/15/07	EPA 8015B	
Carbon Ranges >C10-C28	ND	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	

Environmental Lab of Texas

A Xenco Laboratories Company

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.

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

Project: Van Dyke State Unit # 1
Project Number: 30-025-37438
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
GS/ Comp-003 (7F14006-03) Soil									
<i>Surrogate: 1-Chlorooctane</i>		85.8 %	70-130		EF71505	06/15/07	06/15/07	EPA 8015B	
<i>Surrogate: 1-Chlorooctadecane</i>		86.2 %	70-130		"	"	"	"	
GS/ Comp-004 (7F14006-04) Soil									
Benzene	ND	0.00200	mg/kg dry	2	EF72011	06/20/07	06/20/07	EPA 8021B	
Toluene	ND	0.00200	"	"	"	"	"	"	
Ethylbenzene	ND	0.00200	"	"	"	"	"	"	
Xylene (p/m)	ND	0.00200	"	"	"	"	"	"	
Xylene (o)	ND	0.00200	"	"	"	"	"	"	
<i>Surrogate: a,a,a-Trifluorotoluene</i>		87.2 %	75-125		"	"	"	"	
<i>Surrogate: 4-Bromofluorobenzene</i>		71.2 %	75-125		"	"	"	"	S-04
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	EF71505	06/15/07	06/15/07	EPA 8015B	
Carbon Ranges >C10-C28	ND	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		86.2 %	70-130		"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		87.6 %	70-130		"	"	"	"	

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

Project: Van Dyke State Unit # 1
Project Number: 30-025-37438
Project Manager: Robert Asher

Fax: (505) 748-4662

Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch EF71505 - Solvent Extraction (GC)

Blank (EF71505-BLK1)

Prepared & Analyzed: 06/15/07

Carbon Ranges C6-C10	ND	10.0	mg/kg wet							
Carbon Ranges >C10-C28	ND	10.0	"							
Total Carbon Range C6-C28	ND	10.0	"							
Surrogate: 1-Chlorooctane	38.9		mg/kg	50.0		77.8	70-130			
Surrogate: 1-Chlorooctadecane	39.1		"	50.0		78.2	70-130			

LCS (EF71505-BS1)

Prepared & Analyzed: 06/15/07

Carbon Ranges C6-C10	548	10.0	mg/kg wet	500		110	75-125			
Carbon Ranges >C10-C28	495	10.0	"	500		99.0	75-125			
Total Carbon Range C6-C28	1040	10.0	"	1000		104	75-125			
Surrogate: 1-Chlorooctane	48.6		mg/kg	50.0		97.2	70-130			
Surrogate: 1-Chlorooctadecane	44.3		"	50.0		88.6	70-130			

Calibration Check (EF71505-CCV1)

Prepared & Analyzed: 06/15/07

Carbon Ranges C6-C10	227		mg/kg	250		90.8	80-120			
Carbon Ranges >C10-C28	263		"	250		105	80-120			
Total Carbon Range C6-C28	490		"	500		98.0	80-120			
Surrogate: 1-Chlorooctane	48.3		"	50.0		96.6	70-130			
Surrogate: 1-Chlorooctadecane	48.6		"	50.0		97.2	70-130			

Matrix Spike (EF71505-MS1)

Source: 7F14006-01

Prepared: 06/15/07 Analyzed: 06/18/07

Carbon Ranges C6-C10	731	10.0	mg/kg dry	591	ND	124	75-125			
Carbon Ranges >C10-C28	646	10.0	"	591	ND	109	75-125			
Total Carbon Range C6-C28	1380	10.0	"	1180	ND	117	75-125			
Surrogate: 1-Chlorooctane	53.7		mg/kg	50.0		107	70-130			
Surrogate: 1-Chlorooctadecane	44.6		"	50.0		89.2	70-130			

Matrix Spike Dup (EF71505-MSD1)

Source: 7F14006-01

Prepared: 06/15/07 Analyzed: 06/18/07

Carbon Ranges C6-C10	682	10.0	mg/kg dry	591	ND	115	75-125	6.94	20	
Carbon Ranges >C10-C28	665	10.0	"	591	ND	113	75-125	2.90	20	
Total Carbon Range C6-C28	1350	10.0	"	1180	ND	114	75-125	2.20	20	
Surrogate: 1-Chlorooctane	49.9		mg/kg	50.0		99.8	70-130			
Surrogate: 1-Chlorooctadecane	40.4		"	50.0		80.8	70-130			

Environmental Lab of Texas

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

Project: Van Dyke State Unit # 1
Project Number: 30-025-37438
Project Manager: Robert Asher

Fax: (505) 748-4662

Notes and Definitions

S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.

M8 The MS and/or MSD were below the acceptance limits. See Blank Spike (I.C.S).

DET Analyte DETECTED

ND Analyte NOT DETECTED at or above the reporting limit

NR Not Reported

dry Sample results reported on a dry weight basis

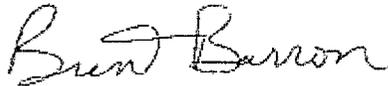
RPD Relative Percent Difference

LCS Laboratory Control Spike

MS Matrix Spike

Dup Duplicate

Report Approved By:



Date: 6/21/2007

Brent Barron, Laboratory Director/Corp. Technical Director
Celey D. Keene, Org Tech Director
Raland K. Tuttle, Laboratory Consultant

James Mathis, QA/QC Officer
Jeanne Mc Murrey, Inorg. Tech Director

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

If you have received this material in error, please notify us immediately at 432-563-1800.

Environmental Lab of Texas

A Xenco Laboratories Company

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Environmental Lab of Texas
Variance/ Corrective Action Report- Sample Log-In

Client: Wates
 Date/ Time: 6-14-07 10:45
 Lab ID #: 7F14006
 Initials: KL

Sample Receipt Checklist

				Client Initials
#1	Temperature of container/ cooler?	<u>Yes</u>	No	0.5 °C
#2	Shipping container in good condition?	<u>Yes</u>	No	
#3	Custody Seals intact on shipping container/ cooler?	<u>Yes</u>	No	Not Present
#4	Custody Seals intact on sample bottles/ container?	<u>Yes</u>	No	Not Present
#5	Chain of Custody present?	<u>Yes</u>	No	
#6	Sample instructions complete of Chain of Custody?	<u>Yes</u>	No	
#7	Chain of Custody signed when relinquished/ received?	<u>Yes</u>	No	
#8	Chain of Custody agrees with sample label(s)?	<u>Yes</u>	No	ID written on Cont./ Lid
#9	Container label(s) legible and intact?	<u>Yes</u>	No	Not Applicable
#10	Sample matrix/ properties agree with Chain of Custody?	<u>Yes</u>	No	
#11	Containers supplied by ELOT?	<u>Yes</u>	No	
#12	Samples in proper container/ bottle?	<u>Yes</u>	No	See Below
#13	Samples properly preserved?	<u>Yes</u>	No	See Below
#14	Sample bottles intact?	<u>Yes</u>	No	
#15	Preservations documented on Chain of Custody?	<u>Yes</u>	No	
#16	Containers documented on Chain of Custody?	<u>Yes</u>	No	
#17	Sufficient sample amount for indicated test(s)?	<u>Yes</u>	No	See Below
#18	All samples received within sufficient hold time?	<u>Yes</u>	No	See Below
#19	Subcontract of sample(s)?	Yes	No	Not Applicable
#20	VOC samples have zero headspace?	<u>Yes</u>	No	Not Applicable

Variance Documentation

Contact: _____ Contacted by: _____ Date/ Time: _____

Regarding: _____

Corrective Action Taken: _____

- Check all that Apply:
- See attached e-mail/ fax
 - Client understands and would like to proceed with analysis
 - Cooling process had begun shortly after sampling event