

MARTIN YATES, III  
1912-1985

FRANK W. YATES  
1936-1986



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (575) 748-1471



S.P. YATES  
CHAIRMAN EMERITUS

JOHN A. YATES  
CHAIRMAN OF THE BOARD

FRANK YATES, JR.  
PRESIDENT

PEYTON YATES  
DIRECTOR

JOHN A. YATES, JR.  
DIRECTOR

August 12, 2008

AUG 13 2008  
OCD-ARTESIA

Mr. Mike Bratcher  
NMOCD District II  
1301 West Grand  
Artesia, NM 88210

Re: Flora AKF State #1  
2RP-191  
30-015-26973  
Section 2, T22S-R31E  
Eddy County, New Mexico

Dear Mr. Bratcher,

Enclosed please find a Form C-141, Final Report for the above captioned site regarding the release on June 20, 2008 (4 B/O and 15 PW with 0 B/O and 0 B/PW recovered). Soils were excavated and taken to an OCD approved facility; samples were taken on August 6, 2008 and sent to an OCD approved laboratory (see enclosed analytical report and sample diagram). Site ranking is zero (0), with the depth to ground water >100' (approximately 125'). RRAL's based on the site ranking of 0, BTEX (ppm) @ 50 and TPH (ppm) @ 5000, sample results are within these limits. Based on described actions, no further remediation will be conducted and 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 <sup>TH</sup> Street	Telephone No. 505-748-1471	AUG 13 2008
Facility Name Flora AKF State #1	API Number 30-015-26973	Facility Type Battery
Surface Owner State		Lease No. VO-2597
Mineral Owner State		OCD-ARTESIA

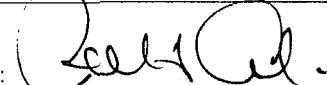
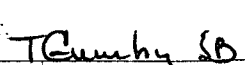
LOCATION OF RELEASE

Unit Letter N	Section 2	Township 22S	Range 31E	Feet from the 660	North/South Line South	Feet from the 2310	East/West Line West	County Eddy
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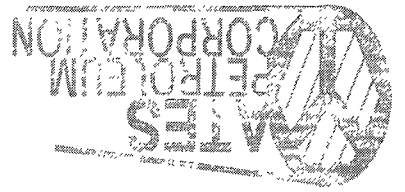
Latitude 32.41495 Longitude 103.74911

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release 4 B/O & 15 B/PW	Volume Recovered 0 B/O & 0 B/PW
Source of Release Steel Flow Line	Date and Hour of Occurrence 6/20/2008, AM	Date and Hour of Discovery 6/20/2008, 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.* Steel flow line on the west side of the battery developed a leak. Isolated line, shut down well(s), called vacuum truck, backhoe crew and crew to repaired line		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 35' X 15'. No oil or produced water to recover. Vertical and horizontal delineation will be made and analysis ran for TPH/BTEX and chlorides (for reference purposes) If initial analytical results for TPH & BTEX are over RRAL's a work plan will be submitted. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. <b>Depth to Ground Water: &gt;100' (approx. 125'), Wellhead Protection Area: No, Distance to Surface Water Body: &gt;1000', SITE RANKING IS 0. Based on analytical results, Yates Petroleum Corporation requests closure.</b>		
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: 8/13/08	Expiration Date: N/A
E-mail Address: boba@ypcnm.com	Conditions of Approval: N/A	Attached <input type="checkbox"/> N/A
Date: Tuesday, August 12, 2008	Phone: 505-748-1471	

\* Attach Additional Sheets If Necessary



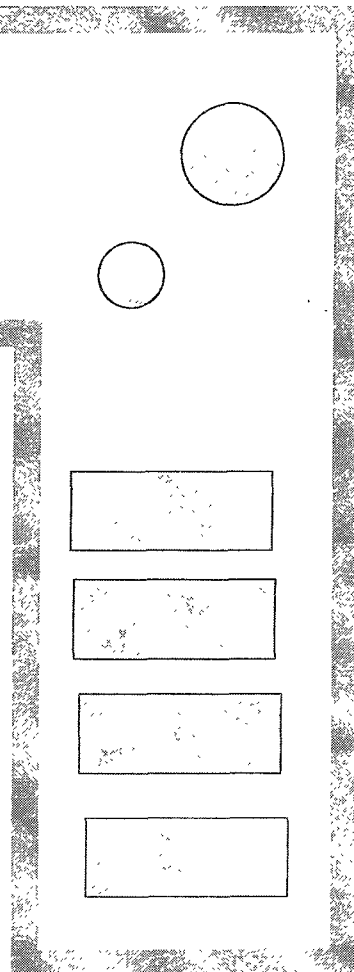
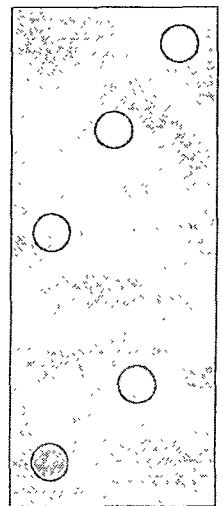
Flora AKF State #1  
Section 2, T22S-R31E  
Eddy County, NM

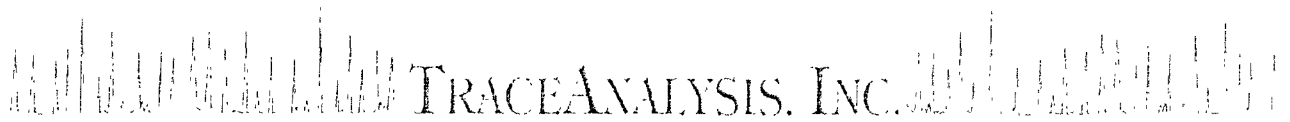
EXHIBIT  
Sample Diagram (Not to Scale)  
Prepared by Robert Asher  
Environmental Regulatory Agent  
August 12, 2008

Site Results: 5.2 mg (l). Depth to Ground Water > 100' (approx. 125'). All results are ppm.

Sample ID	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TPH TOTAL	Chlorides
GS/Comp-001	8/6/2008	Grab/Auger	1'	ND	2.47	ND	2.47	<100
GS/Comp-002	8/6/2008	Grab/Auger	2'	ND	1.30	ND	1.3	<100
GS/Comp-003	8/6/2008	Grab/Auger	3'	0.0225	1.00	ND	1	<100

Release/  
Excavation Area





1001 American Highway, Suite 100 • Lubbock, Texas 79406 • 806 • 798 • 1295 • 806 • 798 • 200 • 1001 • 798 • 1001  
 700 East Sunset Road, Suite 2 • El Paso, Texas 79927 • 918 • 586 • 3442 • 918 • 586 • 3442 • 918 • 586 • 3442 • 918 • 586 • 3442  
 9000 Preston Avenue, Suite 7 • Dallas, Texas 75218 • 214 • 352 • 3001 • 214 • 352 • 3001 • 214 • 352 • 3001  
 6000 S. Loop West, Suite 100 • Fort Worth, Texas 76116 • 817 • 671 • 0100 • 817 • 671 • 0100 • 817 • 671 • 0100

## NELAP Certifications

**Lubbock:** T104704219-08-TX  
 LELAP-02003  
 Kansas E-10317

**El Paso:** T104704221-08-TX  
 LELAP-02002

**Midland:** T104704392-08-TX

## Analytical and Quality Control Report

Robert Asher  
 Yates Petroleum Corp.  
 105 South 4th South  
 Artesia, NM, 88210

Report Date: August 8, 2008

Work Order: 8080718



Project Location: Eddy County, NM  
 Project Name: Flora AKF State #1  
 Project Number: 30-015-26793

Enclosed are the Analytical Report and Quality Control Report for the following sample(s) submitted to TraceAnalysis, Inc.

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
169781	GS/Comp-001	soil	2008-08-06	10:31	2008-08-07
169782	GS/Comp-002	soil	2008-08-06	10:46	2008-08-07
169783	GS/Comp-003	soil	2008-08-06	11:00	2008-08-07

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed.

This report consists of a total of 15 pages and shall not be reproduced except in its entirety, without written approval of TraceAnalysis, Inc.

A handwritten signature in black ink, reading "Michael Abel". The signature is written in a cursive style with a large, prominent "M" and "A".

---

Dr. Blair Leftwich, Director

**Standard Flags**

**B** - The sample contains less than ten times the concentration found in the method blank.

## Case Narrative

Samples for project Flora AKF State #1 were received by TraceAnalysis, Inc. on 2008-08-07 and assigned to work order 8080718. Samples for work order 8080718 were received intact at a temperature of 2.5 deg. C.

Samples were analyzed for the following tests using their respective methods.

Test	Method
BTEX	S 8021B
Chloride (Titration)	SM 4500-Cl B
TPH DRO	Mod. 8015B
TPH GRO	S 8015B

Results for these samples are reported on a wet weight basis unless data package indicates otherwise.

A matrix spike (MS) and matrix spike duplicate (MSD) sample is chosen at random from each preparation batch. The MS and MSD will indicate if a site specific matrix problem is occurring, however, it may not pertain to the samples for work order 8080718 since the sample was chosen at random. Therefore, the validity of the analytical data reported has been determined by the laboratory control sample (LCS) and the method blank (MB). These quality control measures are performed with each preparation batch to ensure data integrity.

All other exceptions associated with this report have been footnoted on the appropriate analytical page to assist in general data comprehension. Please contact the laboratory directly if there are any questions regarding this project.

Report Date: August 8, 2008  
30-015-26793

Work Order: 8080718  
Flora AKF State #1

Page Number: 1 of 2  
Eddy County, NM

## Summary Report

Robert Asher  
Yates Petroleum Corp.  
105 South 4th South  
Artesia, NM, 88210

Report Date: August 8, 2008

Work Order: 8080718



Project Location: Eddy County, NM  
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169783	GS/Comp-003	soil	2008-08-06	11:00	2008-08-07

Sample - Field Code	BTEX				TPH DRO	TPH GRO
	Benzene (mg/Kg)	Toluene (mg/Kg)	Ethylbenzene (mg/Kg)	Xylene (mg/Kg)	DRO (mg/Kg)	GRO (mg/Kg)
169781 - GS/Comp-001	<0.0100	<0.0100	<0.0100	<0.0100	<50.0	2.47
169782 - GS/Comp-002	<0.0100	<0.0100	<0.0100	<0.0100	<50.0	1.30
169783 - GS/Comp-003	<0.0100	<0.0100	<0.0100	0.0225	<50.0	1.00

### Sample: 169781 - GS/Comp-001

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

### Sample: 169782 - GS/Comp-002

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

### Sample: 169783 - GS/Comp-003

*continued ...*

Report Date: August 8, 2008  
30-015-26793

Work Order: 8080718  
Flora AKF State #1

Page Number: 2 of 2  
Eddy County, NM

*sample 169783 continued ...*

Param	Flag	Result	Units	RL
Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00



5002 Basin Street, Suite E Midland, Texas 79703  
Tel (432) 7689-6301 Fax  
(432) 689-6313

email: [lab@traceanalysis.com](mailto:lab@traceanalysis.com)

(432) 689-5313

**ANALYSIS REQUEST**  
(Circle or Specify Method No.)

[illegible]

Relinquished by: Company: Date: Time:	Received by: Company: Date: Time: Temp°c:
<i>DLA / ypc</i> 8/6/2008 2:20 PM	<i>COB</i> TRAC 8/7/08 10:35 2.5c
Relinquished by: Company: Date: Time:	Received by: Company: Date: Time: Temp°c:
Relinquished by: Company: Date: Time:	Received by: Company: Date: Time: Temp°c:

**LAB USE ONLY**

Intact ☒ Y/N

Headspace Y/N

100-25

Log-in Review A

REMARKS:

TPH: 8015 GRO/DRO, BTX8021B  
and Chlorides. Please show results as mg/kg.

Thank you.

☐ Check if Special Reporting Limits Are Needed

Submittal of samples constitutes agreement to Terms and Conditions listed on reverse side of COC

ORIGINAL COPY

Carrier # FEB 6X 7908 1322 804