

MARTIN YATES, III  
1912-1985

FRANK W. YATES  
1936-1986



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30-015-28166

OCT 04 2007  
OCD-ARTESIA

October 4, 2007

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

Re: Serrano Federal #1  
30-015-28166  
Section 11, T19S-R25E  
Eddy County, New Mexico

Dear Mr. Bratcher:

Yates Petroleum Corporation would like to submit for your consideration the following corrective action plan for the above captioned well. Contaminated soils were excavated and hauled to an OCD approved facility, samples were taken (9/25/2007) and results are indicated on the enclosed sample diagram. Yates will have a contractor apply nitrogen fertilizer, rototill and water the excavation areas labeled 001 and 003 as a measure of remediation. Yates will take soil samples within the effected area in ninety (90) days. These samples will be sent to a certified lab and analyzed for TPH. Yates will then contact the OCD to finalize remediation and closure of the site.

If you have any questions call me at (505) 748-4217.

Thank you.

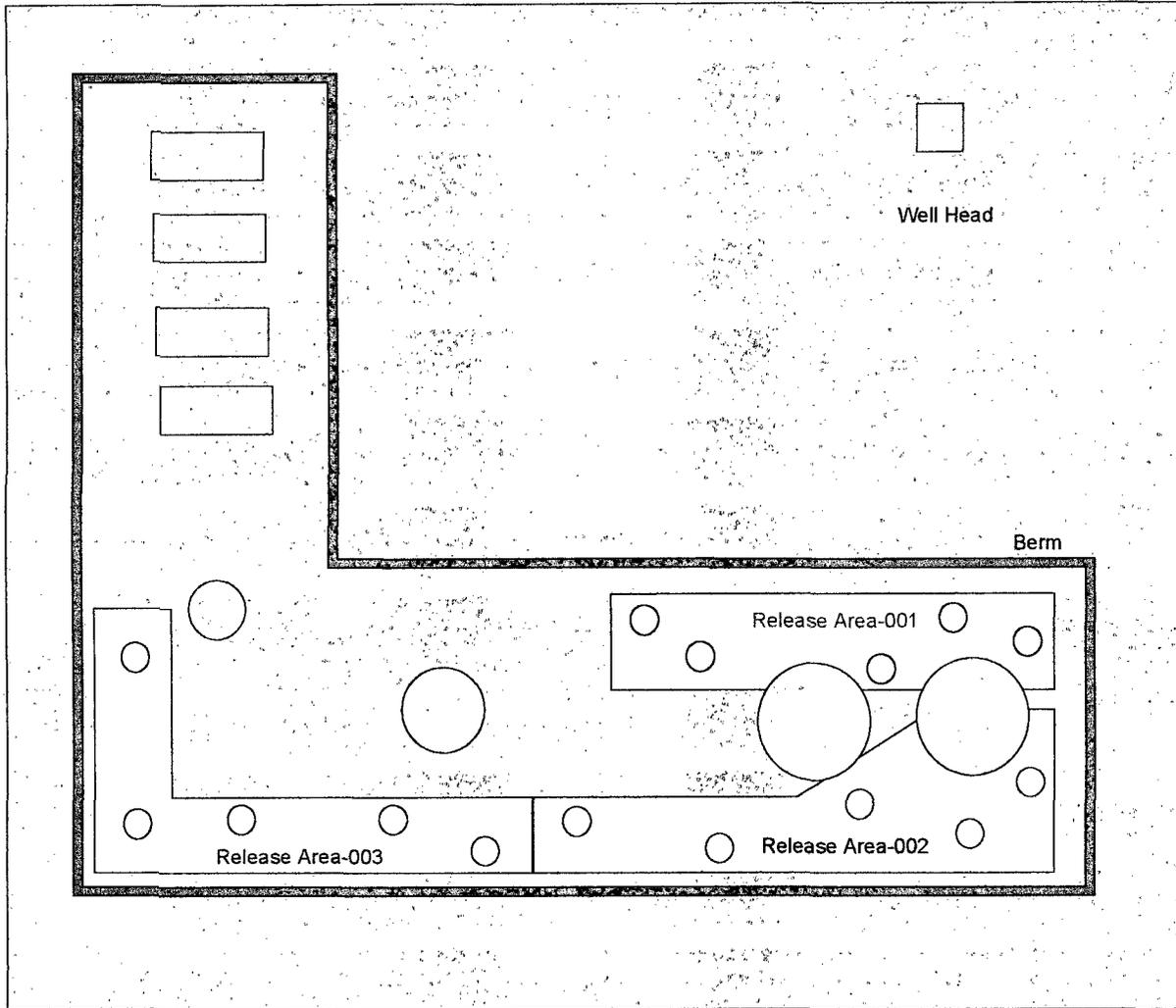
YATES PETROLEUM CORPROATION

A handwritten signature in black ink, appearing to read 'Robert Asher'.

Robert Asher  
Environmental Regulatory Agent

Enclosure(s)

30-015-28166



Sample ID	Sample Date	Sample Type	Depth	Chlorides	BTEX	GRO	DRO	TPH TOTAL
GS/Comp-001	7/11/2007	Grab/Auger	1'	285	47.967	2480	17900	20,380.0
GS/Comp-001	9/25/2007	Grab/Auger	1'		ND	94.8	2020	2,114.8
GS/Comp-002	7/11/2007	Grab/Auger	1'	237	40.089	921	6360	7,281.0
GS/Comp-002	9/25/2007	Grab/Auger	1'		ND	22.1	157.1	179.2
GS/Comp-003	7/11/2007	Grab/Auger	1'	201	39.4523	750	3640	4,390.0
GS/Comp-003	9/25/2007	Grab/Auger	1'		0.677	400	1100	1,500.0

Site Ranking is Ten (10). Depth to Ground Water: 50'-99' (approx. 85'). All results are ppm.  
 All samples were tested at Environmental Lab of Texas.



**Serrano Federal Battery**  
**Section 11, T19S-R25E**  
**Eddy County, NM**

**EXHIBIT**  
**Sample Diagram (Not to Scale)**  
 Prepared by Robert Asher  
 Environmental Regulatory Agent  
 October 4, 2007