



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Yates Petroleum Corp
105 S 4th St
Artesia, NM 88210

August 29, 2005

Reference: Wayfarer AIY State 001 P-25-19S-29E 30-015-26647

Operator,

The NMOCD District 2 office is in receipt of a "Delineation and Remediation Work Plan" submitted by your agent, Safety and Environmental Solutions Inc. The work plan outlines methods to be utilized in the final delineation of contaminants and a proposal for remediation of contaminants at the above referenced well site.

Contamination at this site is the result of condensate release occurring over an undetermined period of time and was brought to the attention of the NMOCD on December 17, 2004.

The work plan is accepted as presented with the following stipulations:

1. NMOCD District 2 office is to be notified 24 hours prior to commencement of operations.
2. NMOCD District 2 office is to be notified 24 hours prior to obtaining samples where analysis of such samples are to be presented to the NMOCD.
3. NMOCD is to be notified immediately if groundwater is encountered anytime during operations.
4. The remediation actions proposed are subject to change dependant upon the delineation and/or type of contaminants encountered.

Approval and/or acceptance of documents or work plans 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, approval and/or acceptance of documents or work plans does not relieve the operator of responsibility for compliance with any other applicable federal, state, or local laws and/or regulations.

Sincerely,

Mike Bratcher
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Cc: Dan Dolan; Lisa Norton; Tim Gum; Gail MacQuesten; Daniel Sanchez

Hard copy to follow email.