

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

FRANK YATES, JR.
PRESIDENT

PEYTON YATES
DIRECTOR

JOHN A. YATES, JR.
DIRECTOR

February 26, 2008

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

RECEIVED

FEB 27 2008
HOBBS OCD

Re: Mescalero ARL State #1
30-025-33969
Section 2, T10S-R32E
Lea County, New Mexico

Dear Mr. Williams:

Yates Petroleum Corporation would like to submit for your consideration the enclosed work plan for the above captioned battery, this work plan address' the release which occurred on January 13, 2008 and corrective actions. Yates would like to complete this project within the next thirty (30) days please.

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

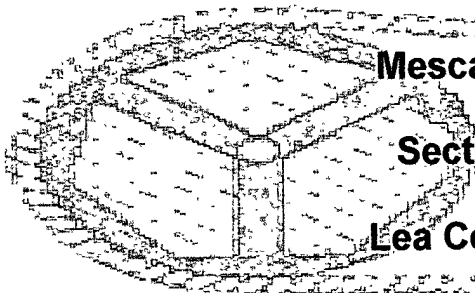
Thank you.

YATES PETROLEUM CORPROATION

Robert Asher
Environmental Regulatory Agent

Enclosure(s)

Yates Petroleum Corporation



Mescalero ARL State #1

Section 2, T10S-R32E

Lea County, New Mexico

February 26, 2008

I. Location

The well is located approximately 23 miles northwest of Tatum, NM; and approximately 1 mile east of Button Mesa Road (CR-156) as represented by the attached, Caprock, NM. USGS Quadrangle Map

II. Background

On January 18, 2008, Yates submitted to the NMOCD District I office a C-141 report reflecting a release of approximately 25 barrels of oil from a production tank; an oil hauler did not pick up a load of oil from the production tank, resulting in the oil release from tank. The affected area is approximately 36 feet by 12 feet. A vacuum truck was called and picked up remaining oil, the contaminated soils were excavated and taken to an OCD approved facility and samples were taken and sent to an OCD approved laboratory (sample diagram enclosed).

III. Surface and Ground Water

Area surface geology is Cenozoic. The nearest groundwater of record listed on the ChevronTexaco, Lea County, Depth to Groundwater Water Well Facilities Trend Map dated 2/9/2005 shows depth to groundwater approximately 65 feet making the site ranking a ten (10). Watercourses in the area are dry.

The ranking for this site is ten (10) based on the as following:

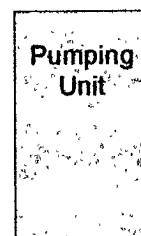
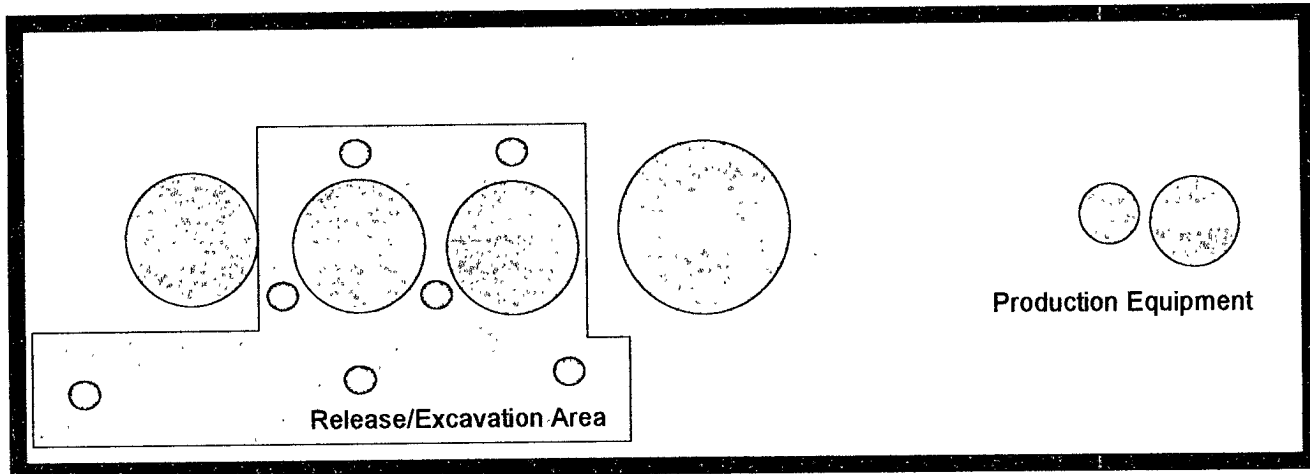
Depth to ground water	50 -99'
Wellhead Protection Area	> 1000'
Distance to surface water body	> 1000'

IV. Soils

The area consists of native sands and soil, interspersed with caliche and clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface.

V. Scope of Work

Upon approval of this work plan, Yates Petroleum Corporation will have a contractor further excavate the contaminated soils to an approximate total depth of 4 feet (soils would be blended with clean soils, (soil samples will be taken of blended materials; these samples will be sent to a certified lab and analyzed for BTEX, TPH. Based on the Total Ranking Score of ten (10), the RRAL's for BTEX is 50 ppm and TPH is 1000 ppm), these soils will then be stockpiled and used in berm construction of new battery on location. Soil samples will be taken of excavation area; these samples will be sent to a certified lab and analyzed for BTEX, TPH. Based on the Total Ranking Score of ten (10), the RRAL's for BTEX is 50 ppm and TPH is 1000 ppm. Any soils above RRAL's will be taken to an OCD approved disposal facility. If lab analysis reflects closure levels then Yates will contact the Oil Conservation Division to give opportunity to witness a final sampling event. A final C-141 and attached analytical results will be submitted to the OCD requesting closure.



Sample ID	Sample Date	Sample Type	Depth	BTEX	TPH (GRO)	TPH (DRO)	TPH (TOTAL)
GS/Comp-001	2/14/2008	Grab/Auger	1'	68.673	779.0	2730.0	3509.0
GS/Comp-002	2/14/2008	Grab/Auger	2'	24.884	306.0	1150.0	1456.0
GS/Comp-003	2/14/2008	Grab/Auger	3'	25.478	453.0	1590.0	2043.0

Site Ranking is Ten (10). Depth to Ground Water 50-99' (approx. 65'). All results are ppm.



Mescalero ARL State #1

Section 2, T10S-R32E

Lea County, NM

EXHIBIT
Sample Diagram (Not to Scale)

Prepared by Robert Asher
Environmental Regulatory Agent
February 26, 2008

