Received 9/23/15 NMOCD Dist 2

District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Yates Petroleum Corporation

Glow Worm ALX Federal Battery

nAB1526743306

Facility Name

Address

Name of Company

State of New Mexico Energy Minerals and Natural Resources

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action OPERATOR Final Report Contact Chase Settle Telephone No. 104 S. 4th Street, Artesia, NM 88210 575-748-4171 Facility Type

Surface Owner Mineral Owner API No. Federal Federal 30-015-35313

Battery

LOCATION OF RELEASE Unit Letter Township Range Feet from the North/South Line East/West Line Section Feet from the County C 3 23S 31E 330' North 2310' West Eddy Latitude 32.33985 Longitude -103.76988 NATURE OF RELEASE Type of Release Volume of Release Volume Recovered Crude Oil and Produced Water 8 B/O; 12 B/PW 3 B/O; 7 B/PW Source of Release Date and Hour of Occurrence Date and Hour of Discovery Horizontal knockout separator had a manhole cover gasket failure 9/17/2015; 8:00 a.m. 9/17/2015; 8:00 a.m. Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required N/A By Whom? Date and Hour N/A Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* The horizontal knockout separator for the Glow Worm ALX Federal #19 well had a manhole cover gasket failure, the well was isolated and shut in. Describe Area Affected and Cleanup Action Taken.* An approximate area of 25' X 40' was impacted within the lined, bermed battery and an approximate area of 65' X 35' in an area previously impacted by a prior release. There was also an overspray area approximately 50' X 50' to the north of the pooling area. The horizontal knockout was located on the west end of the battery and the spray from the failed gasket allowed fluids to impact areas within and outside of the lined, bermed battery. Vacuum truck was called to remove standing fluid and a roustabout crew was called to repair the horizontal knockout. A backhoe was also contacted to excavate impacted soils, which were hauled to a NMOCD approved facility. Soil samples were taken immediately after impacted soils were removed and analysis of TPH & BTEX and chlorides were conducted by an NMOCD approved laboratory. The analytical data corresponded with previous sampling conducted in the same pooling area from the previous release and the overspray area showed to be under RRALs for TPH & BTEX and ND for chlorides. Since analytical data corresponds with previous release, impacted area of this release will be addressed with the already approved work plan for the previous release. An Initial/Final Report, C-141 is submitted to the OCD requesting closure. Depth to Ground Water: >100' (approximately 105', Section 3, T23S-R31E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. 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. OIL CONSERVATION DIVISION Signature: Approved by Environmental Specialist: MBratcher Printed Name: Chase Settle Title: NM Environmental Regulatory Agent Approval Date: 9/24/15 Expiration Date: N/A E-mail Address: csettle@yatespetroleum.com Conditions of Approval: Attached Date: 9/23/2015 Phone: 575-748-4171 Remediation per OCD Rules & Guidelines