<u>District I</u> 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.

Form C-141 Revised October 10, 2003

AUG Z Y 2008 Submit 2 Copies to appropriate
OCD-ARTESIA District Office in accordance
with Rule 116 on back
side of form side of form

## Santa Fe, NM 87505 **Release Notification and Corrective Action**

|                                                                                                                                                                                                                                                                                               |               | Ε                | ] Initia                                  | l Report                                   | $\boxtimes$    | Final Report                                                                           |                     |             |             |               |         |             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|------------------|-------------------------------------------|--------------------------------------------|----------------|----------------------------------------------------------------------------------------|---------------------|-------------|-------------|---------------|---------|-------------|
| Name of Company OGRID Number                                                                                                                                                                                                                                                                  |               |                  |                                           |                                            |                | Contact                                                                                |                     |             |             |               |         |             |
| Yates Petroleum Corporation 25575                                                                                                                                                                                                                                                             |               |                  |                                           |                                            |                | Robert Ash                                                                             |                     |             |             |               |         |             |
| Address<br>104 S. 4 <sup>TH</sup> Street                                                                                                                                                                                                                                                      |               |                  |                                           |                                            |                | Telephone No. 505-748-1471                                                             |                     |             |             |               |         |             |
| Facility Name API Number                                                                                                                                                                                                                                                                      |               |                  |                                           |                                            |                | Facility Type Order Number                                                             |                     |             |             |               |         |             |
| Medano VA State #2 30-015-26382                                                                                                                                                                                                                                                               |               |                  |                                           |                                            | 2              | Well   2RP-193                                                                         |                     |             |             |               |         |             |
| Surface Owner Mineral Owner                                                                                                                                                                                                                                                                   |               |                  |                                           |                                            |                | Lease No.                                                                              |                     |             |             |               |         |             |
| State State                                                                                                                                                                                                                                                                                   |               |                  |                                           |                                            |                |                                                                                        |                     |             | VO-0120     |               |         |             |
|                                                                                                                                                                                                                                                                                               |               |                  | TIO                                       | ON OF RELEASE                              |                |                                                                                        |                     |             |             |               |         |             |
| Unit Letter                                                                                                                                                                                                                                                                                   | Section       | Township         | Range                                     | Feet from the                              |                | South Line                                                                             | Feet from the       | Fast/W      | est Line    | County        |         |             |
| E                                                                                                                                                                                                                                                                                             | 16            | 238              | 31E                                       | 1980                                       | í              | North                                                                                  | 660                 |             | est         | Eddy          |         |             |
|                                                                                                                                                                                                                                                                                               | l             | <u> </u>         |                                           | L                                          | <u></u>        | <del></del>                                                                            | L                   | <u></u>     |             | <u> </u>      |         |             |
| Latitude 32.30613 Longitude 103.78976                                                                                                                                                                                                                                                         |               |                  |                                           |                                            |                |                                                                                        |                     |             |             |               |         |             |
| NATURE OF RELEASE                                                                                                                                                                                                                                                                             |               |                  |                                           |                                            |                |                                                                                        |                     |             |             |               |         |             |
| Type of Relea                                                                                                                                                                                                                                                                                 | ase           |                  | Volume of Release                         |                                            |                | Volume Recovered                                                                       |                     |             |             |               |         |             |
| Produced Water                                                                                                                                                                                                                                                                                |               |                  |                                           |                                            |                | 150 B/PW                                                                               |                     |             | 80 B/PW     |               |         |             |
| Source of Release Main water line                                                                                                                                                                                                                                                             |               |                  |                                           |                                            |                | Date and Hour of Occurrence   Date and Hour of Discovery   7/2/2008, AM   7/2/2008, AM |                     |             |             |               | ,       |             |
| Was Immedia                                                                                                                                                                                                                                                                                   |               |                  | If YES, To Whom?                          |                                            |                |                                                                                        |                     |             |             |               |         |             |
|                                                                                                                                                                                                                                                                                               |               |                  |                                           |                                            |                |                                                                                        |                     |             |             |               |         |             |
| By Whom?<br>Bob Asher/YI                                                                                                                                                                                                                                                                      | DC Environ    | mantal Danar     | Date and Hour<br>7/2/2008, PM             |                                            |                |                                                                                        |                     |             |             |               |         |             |
| Was a Waterc                                                                                                                                                                                                                                                                                  |               |                  | If YES, Volume Impacting the Watercourse. |                                            |                |                                                                                        |                     |             |             |               |         |             |
|                                                                                                                                                                                                                                                                                               |               |                  | N/A                                       |                                            |                |                                                                                        |                     |             |             |               |         |             |
| If a Watercour<br>N/A                                                                                                                                                                                                                                                                         | rse was Imp   | pacted, Descri   | be Fully.*                                |                                            |                |                                                                                        |                     |             |             |               |         |             |
| Describe Cause of Problem and Remedial Action Taken.*                                                                                                                                                                                                                                         |               |                  |                                           |                                            |                |                                                                                        |                     |             |             |               |         |             |
| Main produce water line south of Medano VA State #2 ruptured. Isolated line, shut down well(s), called vacuum truck and line repaired.                                                                                                                                                        |               |                  |                                           |                                            |                |                                                                                        |                     |             |             |               |         |             |
| Describe Area                                                                                                                                                                                                                                                                                 | Affected a    | ınd Cleanun A    | ction Tak                                 | en.*                                       |                |                                                                                        |                     |             |             |               |         |             |
| An approxima                                                                                                                                                                                                                                                                                  | ite area of 1 | 25' X 10'. V     | acuum tru                                 | ck picked up rema                          | aining p       | roduced wate                                                                           | r, backhoe scrape   | d up cont   | aminated    | soils, taken  | to an ( | OCD         |
| approved facil                                                                                                                                                                                                                                                                                | lity. Vertica | al and horizon   | tal deline                                | ation will be made                         | and an         | alysis ran for                                                                         | TPH/BTEX. If it     | nitial anal | ytical res  | ults for TPI- | i & BT  | EX 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. Depth to Ground Water: >100' (approx. 168' per New Mexico Office of the State Engineer), Wellhead Protection Area: |               |                  |                                           |                                            |                |                                                                                        |                     |             |             |               |         |             |
| No, Distance                                                                                                                                                                                                                                                                                  | to Surface    | Water Body:      | >1000', 5                                 | SITE RANKING                               | IS 0. Y        | ates Petrole                                                                           | um Corporation      | requests    | closure.    |               |         |             |
|                                                                                                                                                                                                                                                                                               |               |                  |                                           | is true and comple<br>d/or file certain re |                |                                                                                        |                     |             |             |               |         |             |
|                                                                                                                                                                                                                                                                                               |               |                  |                                           | e of a C-141 repor                         |                |                                                                                        |                     |             |             |               |         |             |
| should their op                                                                                                                                                                                                                                                                               | erations ha   | ive failed to ac | lequately                                 | investigate and re-                        | mediate        | contamination                                                                          | on that pose a thre | at to grou  | ınd water,  | surface wat   | er, hur | man health  |
|                                                                                                                                                                                                                                                                                               |               |                  |                                           | ance of a C-141 re                         | eport do       | es not relieve                                                                         | the operator of re  | esponsibil  | lity for co | mpliance w    | th any  | other       |
| federal, state, o                                                                                                                                                                                                                                                                             | or local law  | s and/or regul   | ations.                                   |                                            |                | OIL CONSERVATION DIVISION                                                              |                     |             |             |               |         |             |
| ()                                                                                                                                                                                                                                                                                            |               |                  |                                           |                                            |                | OIL CONSERVATION DIVISION                                                              |                     |             |             |               |         |             |
| Signature: \                                                                                                                                                                                                                                                                                  | J'e           | <u> </u>         |                                           |                                            |                |                                                                                        | _                   | _ == A      | 881         | سم            | -1.1    |             |
| Printed Name:                                                                                                                                                                                                                                                                                 | Robert Asl    | ner              |                                           |                                            | A              | approved by I                                                                          | District Superviso  | r:          | DEN         | MED           | 3/      | 113/15      |
|                                                                                                                                                                                                                                                                                               |               |                  | namoval Data                              | 1/1-                                       |                |                                                                                        |                     | 1/          | 1           |               |         |             |
| Title: Environn                                                                                                                                                                                                                                                                               | nemai Kegt    | maiory Agent     |                                           | <del></del>                                | -              | pproval Date                                                                           | NIT                 | EX          | oiration D  | rate.         | 11      |             |
| E-mail Address                                                                                                                                                                                                                                                                                | s: boba@yp    | ocnm.com         |                                           |                                            | onditions of a |                                                                                        |                     |             | Attached    | П             |         |             |
| Date: Wednesday, August 27, 2008 Phone: 505-748-1471                                                                                                                                                                                                                                          |               |                  |                                           |                                            |                | IW R                                                                                   | elease-             | - N         | U           |               |         |             |
| 4-1-4-16-16-16-16-16-16-16-16-16-16-16-16-16-                                                                                                                                                                                                                                                 |               |                  |                                           |                                            |                |                                                                                        |                     |             |             |               |         |             |
|                                                                                                                                                                                                                                                                                               | •             |                  |                                           |                                            | 0              | ulon de                                                                                | Samp                | 7           |             | ~             | KF      | 0-193       |