

District I
625 N. French Dr., Hobbs, NM 88240
District II
301 W. Grand Avenue, Artesia, NM 88210
District III
000 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.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

30-015-26419

Release Notification and Corrective Action

nMLB0610141182

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Yates Petroleum Corporation	Contact Jerry D. Fanning, Jr.
Address 105 South 4 th Street Artesia, NM	Telephone No. 505-748-1471
Facility Name Century Plant "AHT" #1	Facility Type Tank Battery
Surface Owner Federal	Mineral Owner Federal
Lease No. NM70309	

LOCATION OF RELEASE

Unit Letter P	Section 34	Township 19S	Range 24E	Feet from the 660	North/South Line South	Feet from the 660	East/West Line East	County Eddy
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Latitude _____ Longitude _____

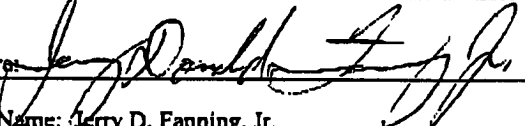
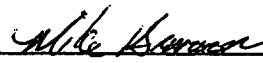

NATURE OF RELEASE

Type of Release Water leg Oil and Water	Volume of Release 8 BO 24 BW	Volume Recovered 0 BO 0 BW
Source of Release Water leg broke	Date and Hour of Occurrence 03/12/2006	Date and Hour of Discovery 03/12/2006
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.*		

Describe Cause of Problem and Remedial Action Taken.*
High winds caused water leg to break away from tank causing water and oil to spray onto tanks and area around location.

Describe Area Affected and Cleanup Action Taken.*
Tanks and area around battery sprayed with a mist of oil and produced water. No pooling occurred. Well was shut in pending repairs to the broken water leg. Site will be assessed and remediation plan submitted for approval. 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.

Signature: 	OIL CONSERVATION DIVISION TIM GUM by MB	
Printed Name: Jerry D. Fanning, Jr.	Approved by District Supervisor: 	
Title: Environmental Coordinator	Approval Date: 5/16/02	Expiration Date: N/A
E-mail Address: jerryf@ypcnm.com	Conditions of Approval:	Attached 
Date: 03-14-2006 Phone: 505-748-1471		

Attach Additional Sheets If Necessary
cc Jennifer Palma 3-15-06

ENTERED
3/20/06
24



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 Corporation
104 S. 4th St.
Artesia, NM 88210
ATTN: Environmental Department

May 11, 2006

Reference: Century Plant AHT 001 P-34-19s-24e API: 30-015-26419

Operator,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of an Initial Report Form C-141 reporting a release of produced fluids that occurred at the above referenced well site on 3/12/2006. A document titled "Spill Summary and Work Plan" dated April 13, 2006 was also submitted. The document outlines the site location, site ranking, and remedial actions performed to date. The document proposes no further actions be taken and requests closure of this incident.

Based on the information provided, OCD will approve the request for closure. Please submit a form C-141 marked Final Report to finalize the closure process.

Please be advised that approval 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, this approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

Sincerely,

Mike Bratcher

NMOCD District 2

1301 W. Grand Ave.

Artesia, NM 88210

(505) 748-1283 Ext. 108

(505) 626-0857

Mike.Bratcher@state.nm.us

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

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DENNIS G. KINSEY
TREASURER

April 13, 2006

30-015-26419
nmlb0610141182

Re: Spill Summary and Work Plan

Incident Date: March 12, 2006

Location: Century Plant AHT Federal #1
Unit P, Section 34, T19S-R24E
Eddy County, New Mexico

The well is located approximately 25 miles south, southwest of Artesia, NM near Rock Daisy Road, as represented by the attached Foster Ranch, NM, USGS Quadrangle Map. The site lies on the edge of an eastern sloping ridge rising approximately 100 feet.

Watercourses in the area are dry except for infrequent flows in response to major precipitation events; approximately 700' to the north of the location is an intermittent perennial arroyo. Area surface geology is Permian. The area, dry at the time of the spill, consists of soil that consists of caliche and interspersed with clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface. Groundwater in the area is estimated to be at a depth of 268 feet based on information obtained as reflected by the attached OSE report from the New Mexico Office of the State Engineer.

The ranking for this site is zero (0) based on the as following:

Depth to ground water	> 100'
Wellhead Protection Area	> 1000'
Distance to surface water body	> 1000'

Incident Description:

The area is the site of a tank battery. High winds caused a water leg to break away from tank causing water and oil to spray onto tanks and area around the location.

Action Taken:

Upon discovery, the well was shut in and the water leg was repaired. No standing or pooling occurred as result of the release. The impacted area was sprayed with micro blaze on March 29, 2006.

Closure Plan:

Due to the quick response of Yates personnel, the presence of low permeability sediments (clay, silt) and the site ranking of zero (0), we do not believe that this spill will have any impact to the contacted area. Yates proposes that no additional actions are necessary and requests NMOCD approval for final closure of the site.

If you have questions or need additional information, please contact me at 505-748-1471

Thank you.

YATES PETROLEUM CORPORATION

Robert Asher
Environmental Regulatory Agent

Enclosure(s)
/rca