

District I  
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.  
Santa Fe, NM 87505

Form C-141  
Rev. Oct 10, 2003

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

### Release Notification and Corrective Action

#### OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 <sup>th</sup> Street	Telephone No. 505-748-1471	
Facility Name Quay AQU State #1	API Number 30-025-26766	Facility Type Battery
Surface Owner State	Mineral Owner State	Lease No. V-3959

#### LOCATION OF RELEASE

Unit Letter C	Section 10	Township 23S	Range 33E	Feet from the 660	North/South Line North	Feet from the 1980	East/West Line West	County Lea
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Latitude 32.32462 Longitude 103.56173

#### NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 50 B/PW	Volume Recovered 0 B/PW
Source of Release Water Tank	Date and Hour of Occurrence 7/15/2006 - AM	Date and Hour of Discovery 7/15/2006 - AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Pat Caperton, OCD District I Office	
By Whom? Jerry Panning	Date and Hour 7/17/2006 at approximately 8:00 AM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.\*  
N/A

Describe Cause of Problem and Remedial Action Taken.\*

Well made more water than normal, truck was late to pick up water, causing water to overflow and spill on the ground.

Describe Area Affected and Cleanup Action Taken.\*

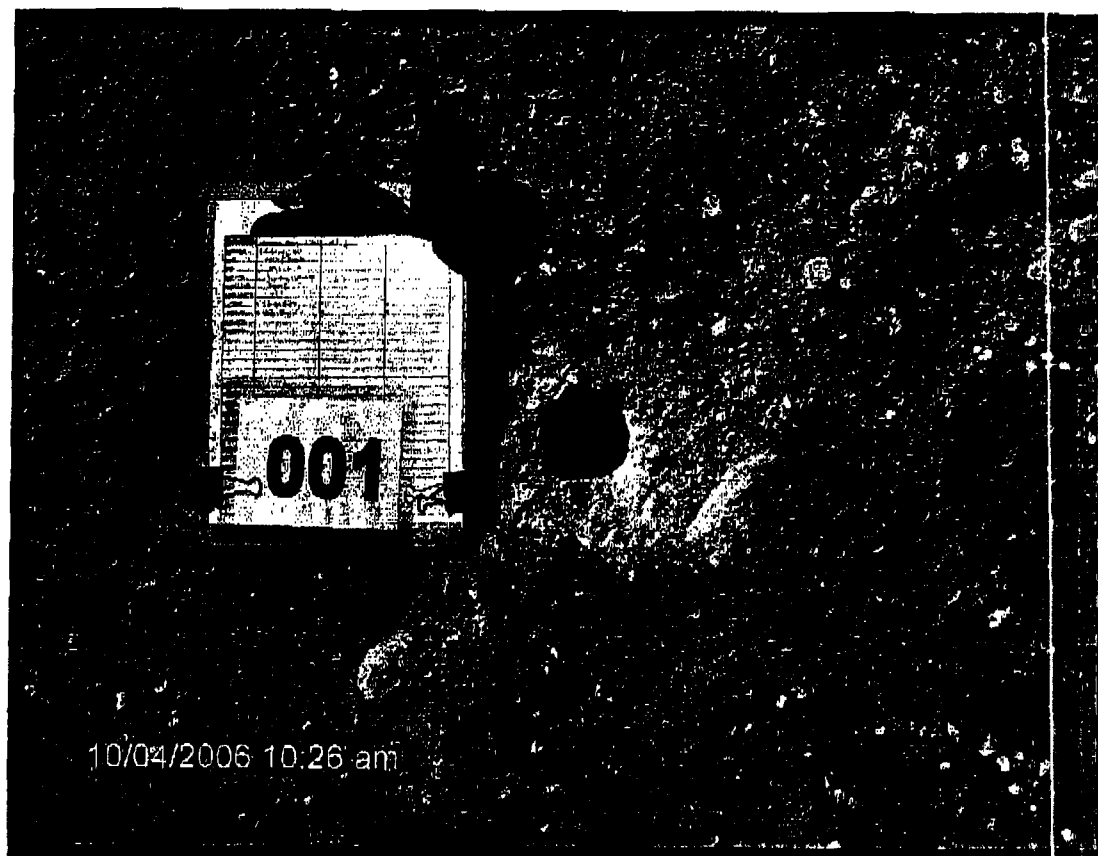
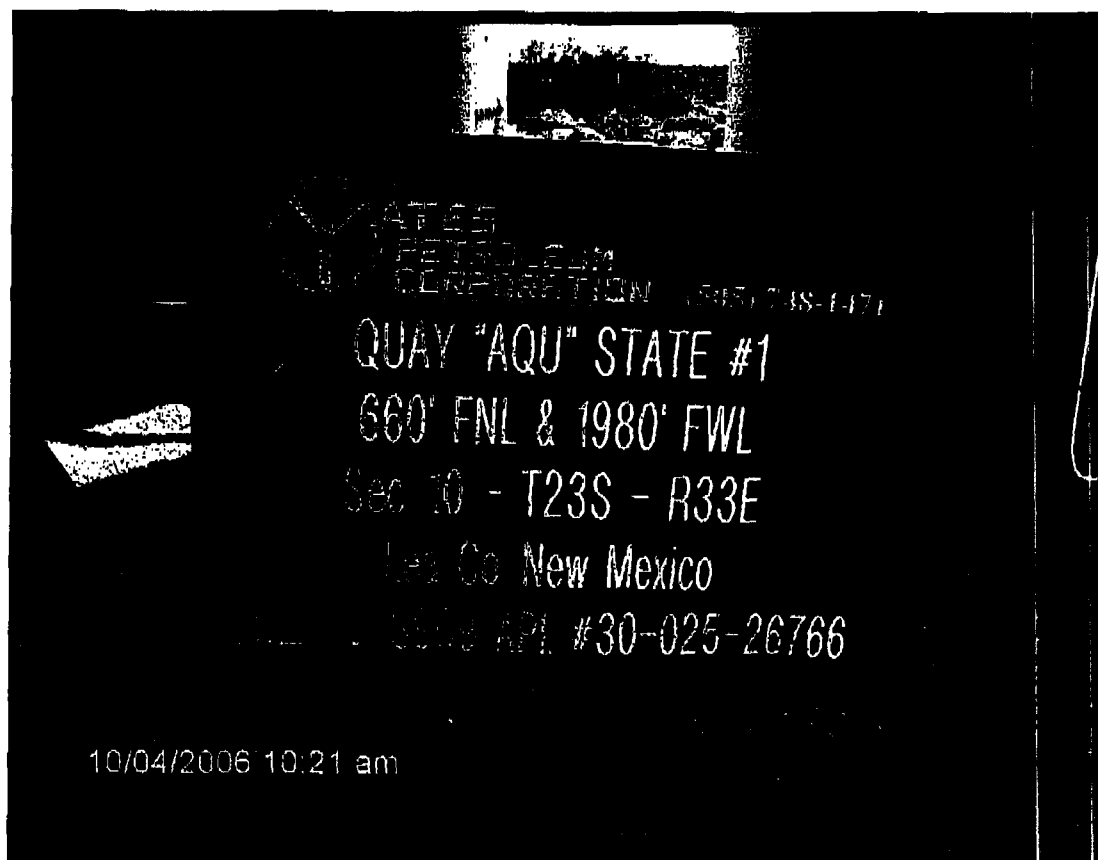
An approximate area of 30' X 30', within the berm. Vacuum trucks were called, but no fluid to recover. Area to be evaluated. Depth to Ground Water: >100'; Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 0.

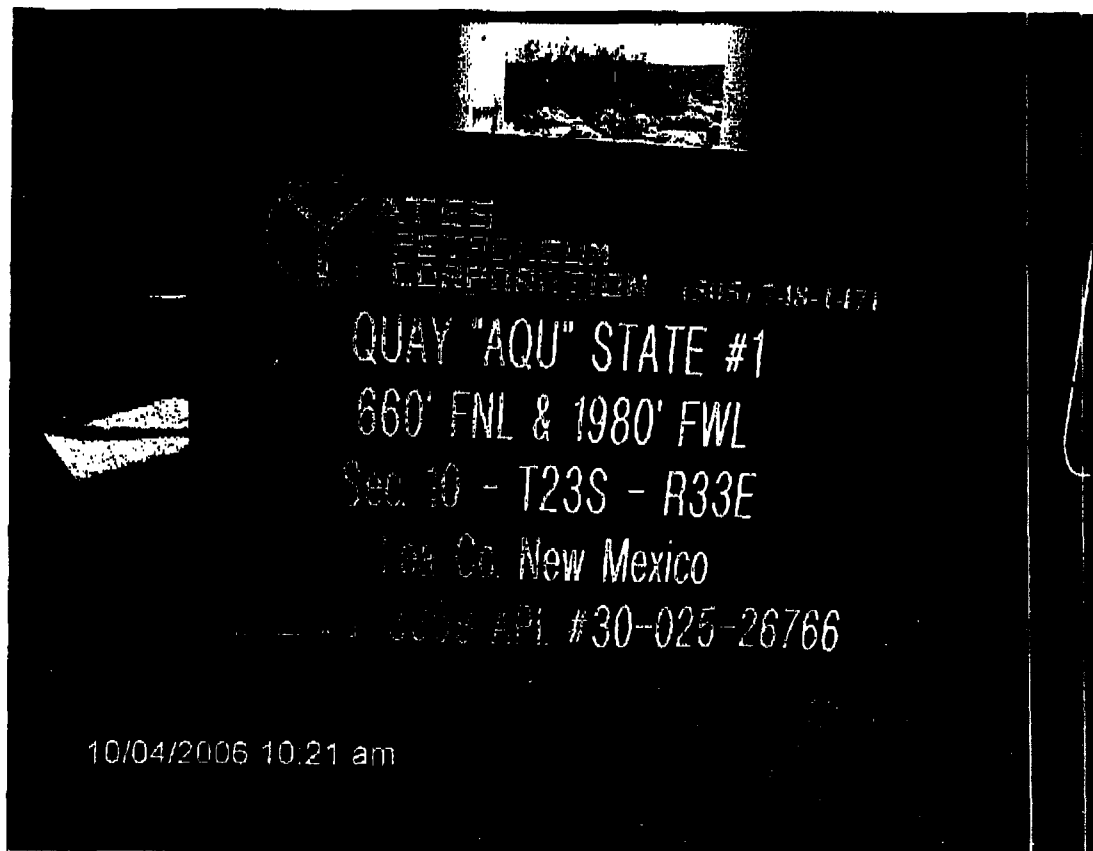
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCDD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCDD 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, NMOCDD 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.

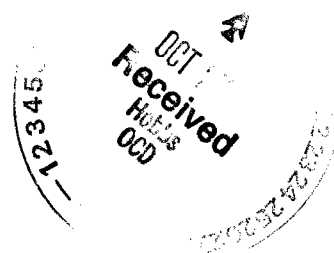
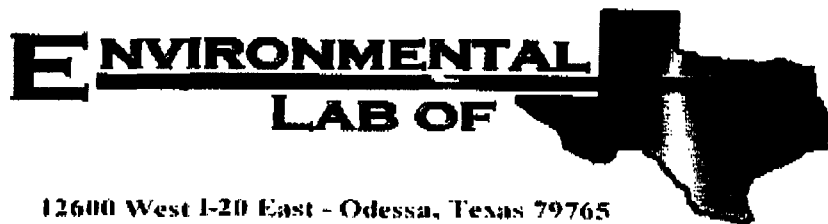
#### OIL CONSERVATION DIVISION

Signature:	Approved by District Supervisor: <i>ENVIRONMENTAL ENGINEER</i>	
Printed Name: Robert Asher	Approval Date: 10.18.06	Expiration Date: —
Title: Environmental Regulatory Agent	Conditions of Approval: —	
E-mail Address: hobbs@ypennm.com	Attached <input type="checkbox"/>	
Date: Monday, October 16, 2006	Phone: 505-748-1471	

\* Attach Additional Sheets If Necessary







## Analytical Report

**Prepared for:**

Robert Asher

Yates Petroleum Corp.

105 S. Fourth St.

Artesia, NM 88210

Project: Quay AQU State #1

Project Number: 30-025-26766

Location: Lea County, NM

Lab Order Number: 6J05016

Report Date: 10/14/06

Yates Petroleum Corp.  
105 S. Fourth St.  
Artesia NM, 88210

Project: Quay AQU State #1  
Project Number: 30-025-26766  
Project Manager: Robert Asher

Fax: (505) 748-4662

**ANALYTICAL REPORT FOR SAMPLES**

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
GS/ 1.0-001	6J05016-01	Soil	10/04/06 10:20	10-15-2006 17:10

Yates Petroleum Corp.  
105 S. Fourth St.  
Artesia NM, 88210

Project: Quay AQU State #1  
Project Number: 30-025-26766  
Project Manager: Robert Asher

Fax: (505) 748-1662

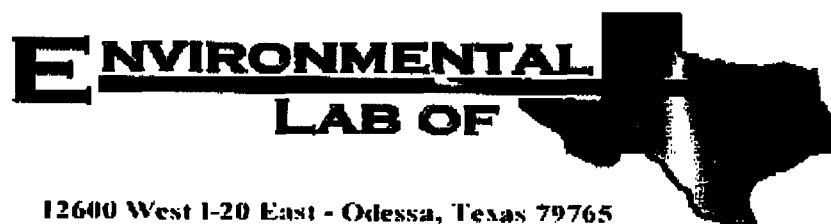
**Organics by GC**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>GS/ 1.0-001 (6305016-01) Soil</b>									
Benzene	ND	0.0250	mg/kg dry	25	1161207	10/12/06	10/12/06	EPA 802.3	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
Surrogate: <i>a,a,a</i> -Trifluorobenzene		83.8 %	80-120	"	"	"	"	"	
Surrogate: 4-Bromofluorobenzene		96.8 %	80-120	"	"	"	"	"	
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	1160613	10/06/06	10/07/06	EPA 801.5B	
Carbon Ranges >C10-C28	ND	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		104 %	70-130	"	"	"	"	"	
Surrogate: 1-Chlorooctadecane		98.4 %	70-130	"	"	"	"	"	

Environmental Lab of Texas

*The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.*

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## Analytical Report

**Prepared for:**

Robert Asher

Yates Petroleum Corp.

105 S. Fourth St.

Artesia, NM 88210

Project: Quay AQU State #1

Project Number: 30-025-26766

Location: Lea County, NM

Lab Order Number: 6J05016

Report Date: 10/14/06

Yates Petroleum Corp. 105 S. Fourth St. Artesia NM, 88210	Project: Quay AQU State #1 Project Number: 30-025-26766 Project Manager: Robert Asher	Fax: (505) 748-4662
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## ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
GS/ 1.0-001	GI05016-01	Soil	10/04/06 10:20	10-15-2006 17:10



Yates Petroleum Corp.  
105 S. Fourth St.  
Artesia NM, 88210

Project: Quay AQU State #1  
Project Number: 30-025-26766  
Project Manager: Robert Asher

Fax: (505) 748-4662

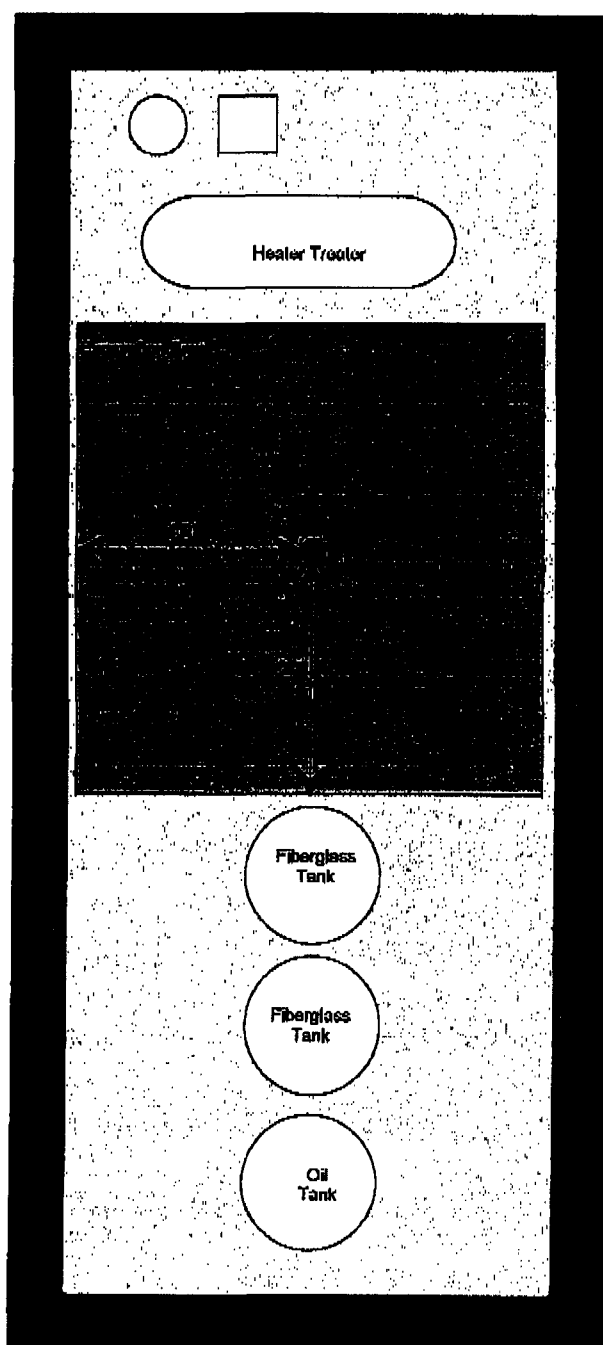
**General Chemistry Parameters by EPA / Standard Methods**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
GS/ 1.0-001 (6J05016-01) Soil									
Chloride	86.0	10.0	mg/kg	20	1160604	10/06/06	10/06/06	EPA 300.0	

Environmental Lab of Texas

*The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.*

Page 2 of 4



- - Sample GS/1.0-001  
October 4, 2006  
(N 32.32454, W 103 56161)



Quay AQU State #1

Section 10, T23S-R33E

Lea County, NM

October 4, 2006

**EXHIBIT 1**  
**Sample Diagram**  
**(Not to Scale)**

Prepared by Robert Asher  
Environmental Regulatory Agent  
October 17, 2006

MARTIN YATES, III  
1912-1985

FRANK W. YATES  
1926-1976



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

G.F. YATES  
CHAIRMAN EMERITUS

JOHN A. YATES  
CHAIRMAN OF THE BOARD

PEYTON YATES  
PRESIDENT

FRANK YATES, JR.  
EXECUTIVE VICE PRESIDENT

JOHN A. YATES, JR.  
SENIOR VICE PRESIDENT

October 17, 2006

Ms. Patricia Caperton  
NMOCD District I  
1625 French Drive  
Hobbs, NM 88240

RE: Quay AQU State #1  
30-025-26766  
Section 10, T23S-R33E  
Lea County, New Mexico

Dear Ms. Caperton,

Enclosed please find a Form C-141, Final Report for the above captioned site regarding the release on July 15, 2006. Contaminated soils were excavated and taken to an OCD approved facility. A sampling event was requested and samples were taken on August 4, 2006. Samples were sent to an OCD approved laboratory for analysis. Based on the analytical reports (chlorides for reference only), no further remediation will be conducted at this site and Yates Petroleum Corporation requests closure.

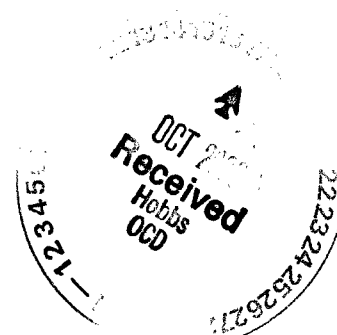
If you have any questions, please call me at 505-748-4217.

Thank you.

YATES PETROLEUM CORPORATION

Robert Asher  
Environmental Regulatory Agent

/rca  
Enclosure(s)



RP#966