

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

SEP 12 2012

Form C-141
Revised October 10, 2003

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

RECEIVED

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 TH Street	API Number 30-005-20474	Telephone No. 575-748-1471
Facility Name Lovelady SWD #1	Facility Type Battery	
Surface Owner State	Mineral Owner State	Lease No. K-6795

LOCATION OF RELEASE

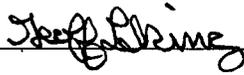
Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	31	8S	33E	1980	South	1980	East	Chaves

Latitude 33.57454 Longitude 103.60400

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 30 B/PW	Volume Recovered 0 B/PW
Source of Release Suction line on disposal pump	Date and Hour of Occurrence 2/23/2012 - AM	Date and Hour of Discovery 2/23/2012 - AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Geoffrey Leking & E.L. Gonzales/NMOCD I	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 2/23/2012, AM (Email)	
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.* Suction valve closed in front of disposal pump, water could not move out of tanks and ran tanks over.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 15' x 40' inside bermed battery. No produced water to recover. Impacted soils being excavated and hauled to an NMOCD approved facility. The battery is being moved and rebuilt on location, new battery to be bermed and lined with a 20 mil liner. Initial vertical and horizontal delineation samples with in the impacted area will be taken and analysis ran for TPH & BTEX (chlorides for documentation). If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the NMOCD requesting closure. If the analytical results are above the RRAL, a work plan will be submitted to the NMOCD. Depth to Ground Water: >100' (approximately 220', ChevronTexaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on enclosed analytical results and Site Ranking of Zero (0), Yates Petroleum Corporation Requests closure.		
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 ENV SPECIALIST: 	
Printed Name: Robert Asher	Approval Date: <u>09/26/12</u>	Expiration Date: <u>—</u>
Title: Environmental Regulatory Agent	Conditions of Approval:	
E-mail Address: boba@yatespetroleum.com	Attached <input type="checkbox"/>	
Date: Wednesday, September 12, 2012 Phone: 575-748-4217	IRP- <u>9-12-2849</u>	IRP- <u>9-12-2849</u>

* Attach Additional Sheets If Necessary

SEP 27 2012

HOBBS OCD

SEP 12 2012

RECEIVED

Well Head

Old Battery/Sample Area

X

X

X

X

X

Lease Road

New Battery

Production Pad
(NOT TO SCALE)

Analytical Report 1208712 (Hall)	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Comp-00.5	Old Battery Area	8/14/2012	Comp/Auger	6"	7.500	100	720	820	220
Comp-01.0	Old Battery Area	8/14/2012	Comp/Auger	12"	21.680	210	650	860	440
Comp-01.5	Old Battery Area	8/14/2012	Comp/Auger	18"	2.400	41	130	171	160

Site Ranking is Zero (0). Depth to Ground Water >100' (approx. 220', per Trend Map).

All results are ppm. X - Sample Points

Released: 30 B/PW; Recovered: 0 B/PW. Release Date: 2/23/2012



Lovelady SWD #1

30-005-20474

Section 31, T8S-R33E

Chaves County, NM

SAMPLE DIAGRAM(Not to Scale)

Prepared by Robert Asher
Environmental Regulatory Agent

9/12