

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  
Revised October 10, 2003  
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

APR 24 2014

RECEIVED

Release Notification and Corrective Action

OPERATOR

Initial Report  Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Chase Settle
Address 104 S. 4 <sup>TH</sup> Street	API Number 30-025-40558	Telephone No. 575-748-4171
Facility Name Rider BRQ Federal #2-H	Facility Type Battery	
Surface Owner Federal	Mineral Owner Federal	Lease No. NMNM-108476

LOCATION OF RELEASE

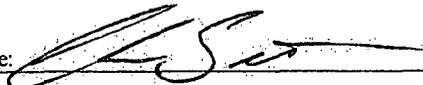
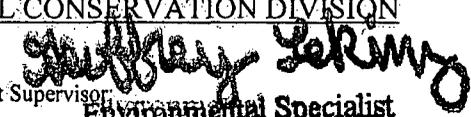
Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	13	25S	34E	330'	South	660'	West	Lea

Latitude 32.12399 Longitude -103.42961

NATURE OF RELEASE

Type of Release Gas, Crude Oil, and Produced Water	Volume of Release 7 B/O, 8 B/PW, 20 MCF/G	Volume Recovered 4 B/O & 3 B/PW, 0 MCF/G
Source of Release Casing valve failure	Date and Hour of Occurrence 03/13/2014; AM	Date and Hour of Discovery 03/13/2014; AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour N/A	
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	DTW = 130'	
Describe Cause of Problem and Remedial Action Taken.* Casing valve failure allowed crude oil, produced water, and gas to be released on to the location pad.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 50' X 60' was affected on the location between the wellhead and battery. Vacuum truck was procured to remove standing fluid and backhoe used to remove impacted soils. Impacted soils were excavated and hauled to NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). Analytical results for TPH & BTEX are under RRAL's (site ranking is 0) a Final Report, C-141 is submitted to the OCD requesting closure. Depth to Ground Water: >100' (165', Section 13, T25S-R34E, 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 District Supervisor  Environmental Specialist	
Printed Name: Chase Settle	Approval Date: 5/01/14	Expiration Date: -
Title: NM Environmental Regulatory Agent	Conditions of Approval:	
E-mail Address: csettle@yatespetroleum.com	2RP-	Attached <input type="checkbox"/> 1RP-05-14-3035
Date: Thursday, April 24, 2014	Phone: 575-748-4171	

\* Attach Additional Sheets If Necessary

MAY 05 2014



April 23, 2014

CHASE SETTLE  
YATES PETROLEUM CORPORATION  
105 S 4th Street  
Artesia, NM 88210

HOBBS OCD

APR 24 2014

RECEIVED

RE: RIDER BRQ FEDERAL #2-H

Enclosed are the results of analyses for samples received by the laboratory on 04/16/14 10:15.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/qa/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene  
Lab Director/Quality Manager

**Analytical Results For:**

 YATES PETROLEUM CORPORATION  
 CHASE SETTLE  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	04/16/2014	Sampling Date:	04/11/2014
Reported:	04/23/2014	Sampling Type:	Soil
Project Name:	RIDER BRQ FEDERAL #2-H	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	NOT GIVEN		

**Sample ID: S1-1' (H401149-01)**

BTEX 8021B		mg/kg		Analyzed By: CK				S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/21/2014	ND	2.23	111	2.00	9.14	
Toluene*	0.166	0.050	04/21/2014	ND	2.09	104	2.00	9.06	
Ethylbenzene*	0.315	0.050	04/21/2014	ND	2.08	104	2.00	8.91	
Total Xylenes*	1.44	0.150	04/21/2014	ND	6.00	99.9	6.00	8.68	
Total BTEX	1.92	0.300	04/21/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIC) 141 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	1120	16.0	04/17/2014	ND	416	104	400	3.77	

TPH 8015M		mg/kg		Analyzed By: ms					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	11.2	10.0	04/17/2014	ND	206	103	200	0.409	
DRO >C10-C28	132	10.0	04/17/2014	ND	218	109	200	0.425	

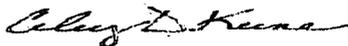
Surrogate: 1-Chlorooctane 111 % 65.2-140

Surrogate: 1-Chlorooctadecane 109 % 63.6-154

Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 YATES PETROLEUM CORPORATION  
 CHASE SETTLE  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	04/16/2014	Sampling Date:	04/11/2014
Reported:	04/23/2014	Sampling Type:	Soil
Project Name:	RIDER BRQ FEDERAL #2-H	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	NOT GIVEN		

**Sample ID: S1-2' (H401149-02)**

BTEX 8021B		mg/kg		Analyzed By: CK				S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/21/2014	ND	2.23	111	2.00	9.14	
Toluene*	0.072	0.050	04/21/2014	ND	2.09	104	2.00	9.06	
Ethylbenzene*	0.099	0.050	04/21/2014	ND	2.08	104	2.00	8.91	
Total Xylenes*	0.519	0.150	04/21/2014	ND	6.00	99.9	6.00	8.68	
Total BTEX	0.689	0.300	04/21/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIC) 130 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	480	16.0	04/17/2014	ND	416	104	400	3.77	

TPH 8015M		mg/kg		Analyzed By: ms					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	14.1	10.0	04/17/2014	ND	206	103	200	0.409	
DRO >C10-C28	167	10.0	04/17/2014	ND	218	109	200	0.425	

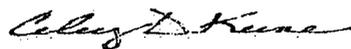
Surrogate: 1-Chlorooctane 104 % 65.2-140

Surrogate: 1-Chlorooctadecane 95.2 % 63.6-154

Cardinal Laboratories

\* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 YATES PETROLEUM CORPORATION  
 CHASE SETTLE  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	04/16/2014	Sampling Date:	04/11/2014
Reported:	04/23/2014	Sampling Type:	Soil
Project Name:	RIDER BRQ FEDERAL #2-H	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	NOT GIVEN		

**Sample ID: S1-3' (H401149-03)**

BTEX 8021B		mg/kg		Analyzed By: CK				S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	04/21/2014	ND	2.23	111	2.00	9.14	
Toluene*	0.062	0.050	04/21/2014	ND	2.09	104	2.00	9.06	
Ethylbenzene*	0.125	0.050	04/21/2014	ND	2.08	104	2.00	8.91	
Total Xylenes*	0.598	0.150	04/21/2014	ND	6.00	99.9	6.00	8.68	
Total BTEX	0.785	0.300	04/21/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIC) 129 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	144	16.0	04/17/2014	ND	416	104	400	3.77	

TPH 8015M		mg/kg		Analyzed By: ms					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	04/17/2014	ND	206	103	200	0.409	
DRO >C10-C28	99.0	10.0	04/17/2014	ND	218	109	200	0.425	

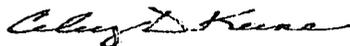
Surrogate: 1-Chlorooctane 104 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

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\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Notes and Definitions**

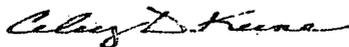
- S-04            The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
- ND             Analyte NOT DETECTED at or above the reporting limit
- RPD            Relative Percent Difference
- \*\*              Samples not received at proper temperature of 6°C or below.
- \*\*\*             Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C  
Samples reported on an as received basis (wet) unless otherwise noted on report

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Cardinal Laboratories

\*=Accredited Analyte

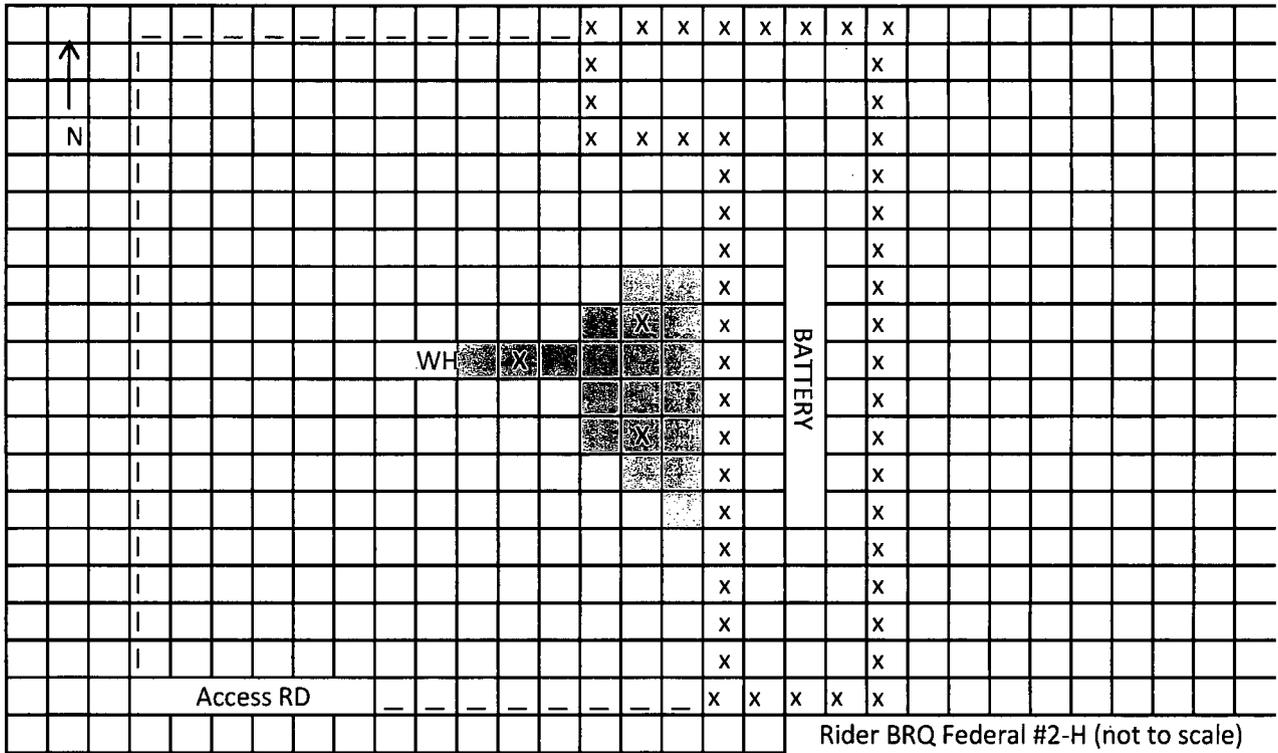
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Celey D. Keene, Lab Director/Quality Manager





Release Area    
 X S1 Sample Location    
 WH Wellhead

Analytical Report H400297 (Cardinal)	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	Chlorides
S1-1'	Release Area	4/11/2014	Backhoe	1'	1.92	11.2	132	1120
S1-2'	Release Area	4/11/2014	Backhoe	2'	0.689	14.1	167	480
S1-3'	Release Area	4/11/2014	Backhoe	3'	0.785	10.0	99	144

Site Ranking is Zero (0). DTGW >100' (approx 165', Section 13, T25S-R34E, Trend Map)

All results are ppm, Chlorides for documentation.

Released: 7 B/O, 8 B/PW, 20 MCF/G Recovered: 4 B/O, 3 B/PW, 0 MCF/G Release Date: 3/13/2014

HOBBS OCD

APR 25 2014

RECEIVED

*approved*  
*Stephany Sekins*  
 Environmental Specialist  
 NMOC-DIST 1  
 5/01/14