

RECEIVED
 APR 16 2014
NMOCD ARTESIA

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

Release Notification and Corrective Action

Attachment 1412232021 **OPERATOR** Initial Report Final Report

| | | |
|--|----------------------------|-------------------------------|
| Name of Company Yates Petroleum Corporation | OGRID Number 25575 | Contact Chase Settle |
| Address 104 S. 4 TH Street | | Telephone No. 575-748-4171 |
| Facility Name Rudolph ATX State Com. #3-H | API Number 30-015-37997 | Facility Type Battery |

| | | |
|------------------------|------------------------|---------------------|
| Surface Owner State | Mineral Owner State | Lease No. V-4567 |
|------------------------|------------------------|---------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| M | 16 | 19S | 31E | 330' | South | 660' | West | Eddy |

Latitude 32.65389 Longitude -103.88026

NATURE OF RELEASE

| | | |
|---|--|---|
| Type of Release Crude Oil and Produced Water | Volume of Release 5 B/O; 147 B/PW | Volume Recovered 5 B/O; 147 B/PW |
| Source of Release High wind caused the water leg to break. | Date and Hour of Occurrence 04/4/2014; AM | Date and Hour of Discovery 04/4/2014; PM |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Mike Bratcher, Heather Patterson, Randy Dade | |
| By Whom? Chase Settle | Date and Hour 04/04/2014 6:34 PM | |
| 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.* High winds caused the water leg to break, valves were closed to the tank, and vacuum truck was called to retrieve standing fluid. | | |
| Describe Area Affected and Cleanup Action Taken.* An approximate area of 300' X 10' was affected within the lined/bermed battery. Vacuum truck was called to remove standing oil and roustabout crew called to remove impacted soils. Vacuum truck removed standing fluid (78 B/PW) and the rest of the released fluid (5 B/O, 69 B/PW) was entrapped in the sand and gravel within the lined berm and excavated. Excavated soils will be hauled to a NMOCD approved facility. All released fluid was retrieved by the vacuum truck and excavation of sand and gravel, a Final Report, C-141 is submitted to the OCD requesting closure. Depth to Ground Water: >100' (approximately 150', Section 16, T19S-R31E, per 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. | | |

| | | |
|--|---|-----------------------------------|
| Signature: | OIL CONSERVATION DIVISION | |
| Printed Name: Chase Settle | Approved by District Supervisor: | |
| Title: NM Environmental Regulatory Agent | Approval Date: <u>5/2/14</u> | Expiration Date: <u>N/A</u> |
| E-mail Address: csettle@yatespetroleum.com | Conditions of Approval: <u>Final</u> | Attached <input type="checkbox"/> |
| Date: Wednesday, April 16, 2014 Phone: 575-748-4171 | 2RP- | |

* Attach Additional Sheets If Necessary

2RP-2283

Bratcher, Mike, EMNRD

From: Chase Settle <CSettle@yatespetroleum.com>
Sent: Wednesday, April 16, 2014 10:55 AM
To: Bratcher, Mike, EMNRD
Cc: Bob Asher
Subject: C141 Initial & Final Rudolph ATX State Com. #3-H
Attachments: C141 Rudolph ATX State Com #3-H (Initial & Final).pdf

Mr. Bratcher,

Attached is the C141 Initial and Final for the below listed location. The C141 corrects the volume released (5 B/O; 147 B/PW) that was estimated for the previous release notice (5 B/O; 203 B/PW) on 4/4/14. The amount recovered was also corrected from 70 B/PW to 5 B/O and 147 B/PW. It was initially thought that the liner for the battery had a hole that allowed the release to escape the lined berm. With further exploration it was determined that the liner was intact and that released fluid had been entrapped within sand and gravel that had accumulated in the berm (approximately one foot of sand). The vacuum truck was able to retrieve 78 B/PW that remained free flowing in the lined berm, and a roustabout crew was called to excavate the sand and gravel that entrapped the rest of the released crude oil and produced water. All released crude oil and produced water has been recovered through actions by the vacuum truck and excavation by the roustabout crew. Yates Petroleum Corporation is submitting an Initial/Final C141 requesting closure.

Rudolph ATX State Com #3-H
30-015-37997
Section 19, T19S-R31E
330 FSL & 660 FWL
Eddy County, New Mexico

Thanks,

Chase Settle
Environmental Regulatory Agent
Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210
575-748-4171 (Office)
575-703-6537 (Cell)

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Bratcher, Mike, EMNRD

From: Chase Settle <CSettle@yatespetroleum.com>
Sent: Friday, April 04, 2014 6:43 PM
To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; Dade, Randy, EMNRD
Cc: Bob Asher; Amber Cannon; Katie Parker
Subject: FW: Release Notification (Rudolph ATX State Com #3-H)

Yates Petroleum Corporation is reporting a release at the following location (4/4/2014).

Rudolph ATX State Com #3-H
30-015-37997
Section 19, T19S-R31E
330 FSL & 660 FWL
Eddy County, New Mexico

Released: Approximately 203 B/PW, 5 B/O; Recovered: 70 B/PW.

Release caused by a break in water leg attached to produced water tank. Release was contained within the berm of the lined battery. Vacuum trucks called to remove produced water captured within the berm of the lined battery. Water leg repaired to stop produced water from escaping tanks. Impacted gravel and soil within the berm will be removed and hauled to NMOCD approved facility. Vacuum trucks will then remove remaining fluid unable to be removed with gravel remaining in berm.

A From C-141 Initial Report will be submitted with complete information.

Thank you.

Chase Settle
Environmental Regulatory Agent
Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210
575-748-4171 (Office)
575-703-6537 (Cell)

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