

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., 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

Form C-141  
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in  
accordance with 19.15.29 NMAC.

**Release Notification and Corrective Action**

**NAB1512741077**

**OPERATOR**

Initial Report  Final Report

Name of Company Yates Petroleum Corporation	<b>25575</b>	Contact Chase Settle
Address 104 S. 4 <sup>th</sup> Street		Telephone No. 575-748-1471
Facility Name Balsam BNL Federal Com #1H		Facility Type Battery
Surface Owner Federal	Mineral Owner Federal	API No. 30-015-37035

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	8	24S	29E	960	North	30	East	Eddy

Latitude 32.23669 Longitude 103.99766

**NATURE OF RELEASE**

Type of Release Crude Oil & Produced Water	Volume of Release 3 B/O & 15 B/PW	Volume Recovered 3 B/O & 13 B/PW
Source of Release Wellhead	Date and Hour of Occurrence 4/25/2015; AM	Date and Hour of Discovery 4/25/2015; AM
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	<b>NM OIL CONSERVATION</b> ARTESIA DISTRICT <b>MAY 06 2015</b>
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

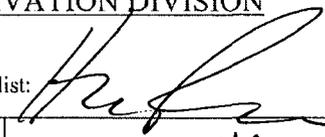
**RECEIVED**

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\*  
The circulating line at the wellhead failed, causing the release. Vacuum truck(s) were called.

Describe Area Affected and Cleanup Action Taken.\*  
An approximate area of 180' X 20' running south from the wellhead was impacted by the release. Of the total impacted area, approximately 30' X 4' was affected off of location. The valves were closed on the circulating line and the stainless steel tubing was reconnected. Called vacuum trucks to remove standing fluid and backhoe to scrape impacted soils. Excavated soils will be hauled to a NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). If initial analytical results for TPH & BTEX are under RRAL's (site ranking is 0) a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL's a work plan will be submitted to the OCD. **Depth to Ground Water: >100' (approximately 100', Section 8, T24S-R29E, 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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Chase Settle	Approved by Environmental Specialist: 	
Title: NM Environmental Regulatory Agent	Approval Date: <b>5/7/15</b>	Expiration Date: <b>N/A</b>
E-mail Address: CSettle@yatespetroleum.com	Conditions of Approval:	
Date: May 6, 2015	Phone: 575-748-4171	
<b>REMEDIAL ACTION PER O.C.D. RULES &amp; GUIDELINES</b>		

\* Attach Additional Sheets If Necessary

**REMEDIAL ACTION PER O.C.D. RULES & GUIDELINES**  
**SUBMIT REMEDIATION PROPOSAL NO**  
**ATER THAN: 06/12/15**

**2RD. 2992**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2014

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
NM-117120

6. If Indian, Allottee or Tribe Name  
N/A

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

7. If Unit of CA/Agreement, Name and/or No.  
N/A

1. Type of Well  
 Oil Well     Gas Well     Other

8. Well Name and No.  
Balsam BNL Federal Com #1H

2. Name of Operator  
Yates Petroleum Corporation

9. API Well No.  
30-015-37035

3a. Address  
105 S. 4th St., Artesia, NM 88210

3b. Phone No. (include area code)  
575-748-4171

10. Field and Pool or Exploratory Area  
Cedar Canyon; Bone Spring

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
960' FNL & 30' FEL, Section 8, T24S-R29E (Unit A, NENE)

11. County or Parish, State  
Eddy County, New Mexico

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Clean up actions to be taken.</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

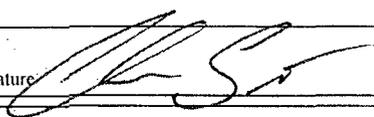
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

The circulating line at the wellhead failed, causing the release. An approximate area of 180' X 20' running south from the wellhead was impacted by the release. Of the total impacted area, approximately 30' X 4' was affected off of location. The valves were closed on the circulating line and the stainless steel tubing was reconnected. Called vacuum trucks to remove standing fluid and backhoe to scrape impacted soils. Excavated soils will be hauled to a NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). If initial analytical results for TPH & BTEX are under RRAL's (site ranking is 0) a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL's a work plan will be submitted to the OCD. Depth to Ground Water: >100' (approximately 100', Section 8, T24S-R29E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0.

**FOR RECORDS ONLY**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
Chase Settle

Title NM Environmental Regulatory Agent

Signature 

Date 05/06/2014

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office \_\_\_\_\_

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Patterson, Heather, EMNRD**

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**From:** Tanna Adams <TCAAdams@yatespetroleum.com>  
**Sent:** Wednesday, May 06, 2015 11:35 AM  
**To:** Bratcher, Mike, EMNRD  
**Cc:** Patterson, Heather, EMNRD; Bob Asher; Chase Settle; Katie Parker; jamos@blm.gov  
**Subject:** Balsam BNL Federal Com #1H C141 & Sundry  
**Attachments:** Balsam BNL Federal Com #1H\_C141\_Initial\_042515.pdf; Balsam BNL Federal Com #1H\_Sundry\_042515.pdf

Mr. Bratcher,

Please find attached the signed C141 Initial and Sundry for the below listed location:

**Balsam BNL Federal Com #1H  
30-015-37035  
Section 8, T24S-R29E  
960 FNL & 30 FEL  
Eddy County, New Mexico**

Thank you,

*Tanna Adams*

*Yates Petroleum Corporation  
Environmental Tech  
Environmental Department  
TCAAdams@yatespetroleum.com*

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