

NM OIL CONSERVATION

ARTESIA DISTRICT

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

SEP 30 2016

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
RECEIVED accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

NAB1627750035

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	25575	Contact Amber Griffin
Address 104 S. 4 th Street		Telephone No. 575-748-1471
Facility Name Windmill ATI State #3		Facility Type Salt Water Disposal/Tanks

Surface Owner State	Mineral Owner State	API No. 30-005-61963
------------------------	------------------------	-------------------------

LOCATION OF RELEASE

Unit Letter M	Section 16	Township 15S	Range 28E	Feet from the 660	North/South Line South	Feet from the 660	East/West Line West	County Chaves
------------------	---------------	-----------------	--------------	----------------------	---------------------------	----------------------	------------------------	------------------

Latitude 33.01069 Longitude 104.14336

NATURE OF RELEASE

Type of Release Crude Oil, Produced Water	Volume of Release 153 B/O, 585 B/PW	Volume Recovered 60 B/O, 0 B/PW
Source of Release Lightning strike	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 9/21/2016, AM
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	
By Whom? Bob Asher, Yates Petroleum Corporation	Date and Hour 9/21/2016; 3:01 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.*

Lightning from a storm during the weekend of September 17th struck the tanks, completely burning both a fiberglass 1,000 barrel water tank and a fiberglass 750 barrel gun barrel. A steel 210 barrel oil tank was also damaged beyond further use during the fire. The release/fire was not discovered until 9/21/2016 because of impassable roads preventing the lease operator from accessing the site. All burned tanks and equipment were removed from the location and a vacuum truck was called to recover as much of the fluids as possible.

Describe Area Affected and Cleanup Action Taken.*

The area affected by the fire and release remained on the production pad. An initial scrape of contaminated soils has taken place. Excavated soils will be hauled to a NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX. 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 125', Section 21, T15S-R28E, per NMOSE), 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: <i>Amber Griffin</i>	OIL CONSERVATION DIVISION	
Printed Name: Amber Griffin	Signed By <i>Mike Bratcher</i> Approved by Environmental Specialist	
Title: Environmental Representative	Approval Date: <i>10/31/16</i>	Expiration Date: <i>N/A</i>
E-mail Address: agriffin@yatespetroleum.com	Conditions of Approval: Remediation per O.C.D. Rules & Guidelines Attached <input type="checkbox"/>	
Date: September 30, 2016 Phone: 575-748-4111	2. SUBMIT REMEDIATION PROPOSAL NO <i>1114116</i>	

* Attach Additional Sheets If Necessary

LATER THAN: *1114116*

ARP-3922

Bratcher, Mike, EMNRD

From: Amber Griffin <AGriffin@yatespetroleum.com>
Sent: Friday, September 30, 2016 1:48 PM
To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; Amber Groves
Cc: Bob Asher; Chase Settle; Katie Parker; Veronica Alvarado
Subject: FW: Release Notification (Windmill ATI State #3)
Attachments: WindmillATIState3_C141_092116 Initial.pdf

Please find attached an initial C-141 for the release that was discovered at the Windmill ATI State #3 on 9/21/2016. All released fluids and the fire were contained to the production pad area. All burnt equipment was removed and hauled off. Visibly impacted soils are in the process of being excavated and hauled to disposal. Once initial clean-up is completed, vertical delineation samples will be taken at the site.

Depth to ground water was determined by mapping all listed water wells from the New Mexico State Engineer's Website at a radius of 2,000 meters from the Windmill ATI State #3. The NMOSE website showed four water wells within the 2,000 meter radius distance.

RA 12428: Depth to water: 125'. Distance from Windmill ATI State #3 is approximately 2,074.5'.
RA 09248: Depth to water: 45'. Distance from the Windmill ATI State #3 is approximately 4,402.1'.
RA 10280: Depth to water: 40'. Distance from the Windmill ATI State #3 is approximately 4,978.6'.
RA 09059: Depth to water: 35'. Distance from the Windmill ATI State #3 is approximately 6,353.2'.

All surface waters that appear on the attached Topographic Map are at distances greater than 1,000'.

Should you have questions or concerns about the depth to ground water determination, please let me know.

Thank you,
Amber

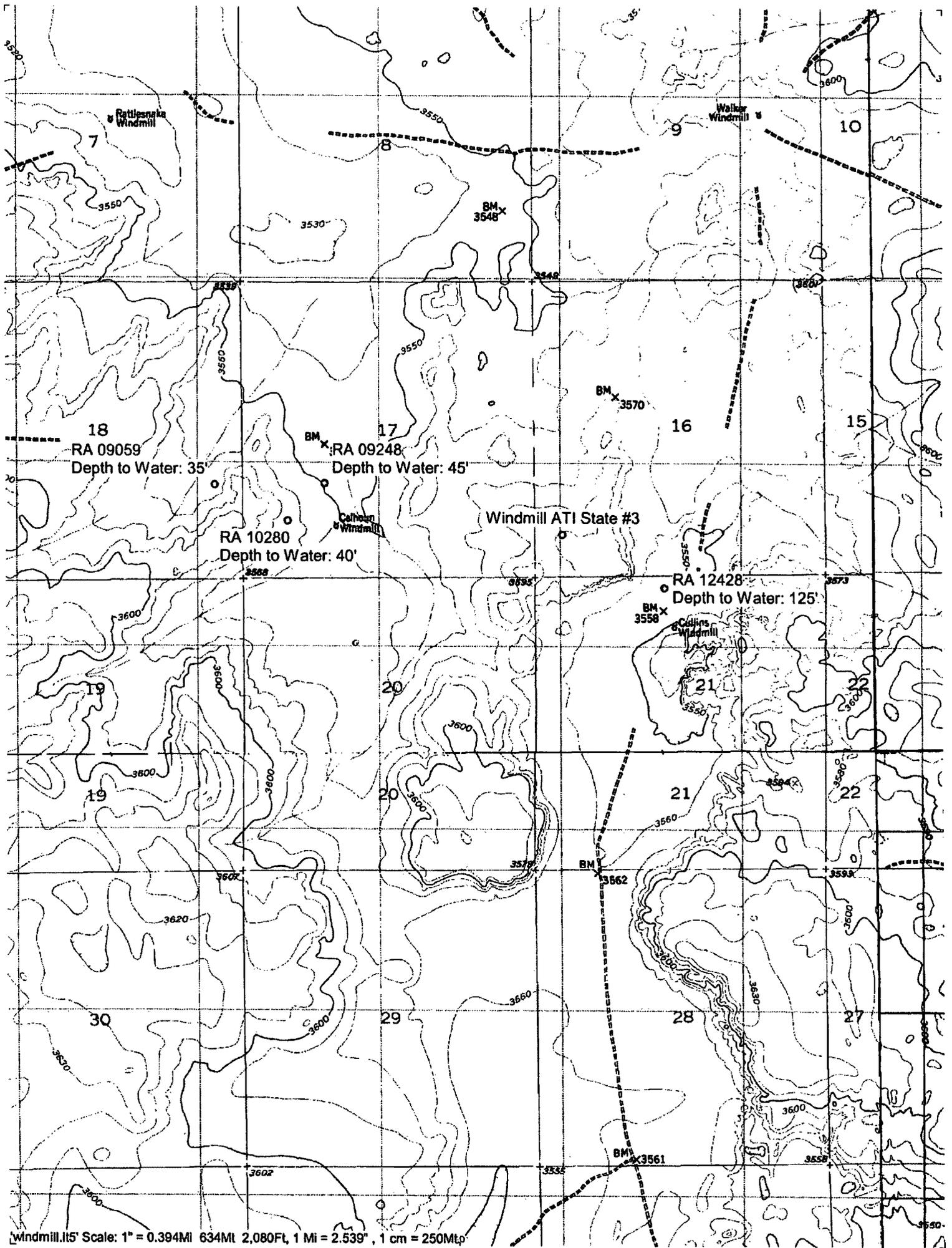
From: Bob Asher
Sent: Wednesday, September 21, 2016 3:01 PM
To: mike.bratcher@state.nm.us; heather.patterson@state.nm.us
Cc: Amber Griffin; Chase Settle; Katie Parker; Veronica Alvarado
Subject: Release Notification (Windmill ATI State #3)

Yates Petroleum Corporation is reporting a release at the following location (9/21/2016, 1:40 PM).

Windmill ATI State #3
30-005-61963
660 FSL & 660 FWL
Section 16, T15S-R28E
Chaves County, New Mexico

Released: Unknown at this time; Recovered: In Progress.

Cause of the release was from a lightning strike hitting the fiberglass produced water tank. The lightning strike occurred sometime this past weekend (9/17/2016), but because of flooded roads the lease operator was not able to get to the location until today. Vacuum truck(s) have been called. No further information at this time. A Form C-141 with complete information will be submitted.





New Mexico Office of the State Engineer

Wells with Well Log Information

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest)

(NAD83 UTM in meters)

(in feet)

POD Number	Code	Basin	County	Source	q q q				X	Y	Distance	Start Date	Finish Date	Log File	Depth		Driller	License Number
					4	2	1	21							15S	28E		
RA 12428	CH	Shallow	4	2	1	21	15S	28E	580579	3652317	732	07/28/2016	08/04/2016	08/08/2016	170	125	DONALD KUEHN III	1058
RA 09248	CH	Shallow	1	4	3	17	15S	28E	578704	3652884*	1321	07/10/1996	07/13/1996	07/25/1996	150	45	RAYMOND ANDERSON	1344
RA 10280	CH	Shallow	4	3	3	17	15S	28E	578501	3652680*	1525	06/20/2002	07/15/2002	04/23/2003	70	40	CARREON, FERNANDO	1490
RA 09059	CH	Shallow	2	4	4	18	15S	28E	578099	3652875*	1924	11/13/1995	01/15/1996	02/08/1997	110	35	RAYMOND ANDERSON	1344

Record Count: 4

UTM/NAD83 Radius Search (in meters):

Easting (X): 580022

Northing (Y): 3652793

Radius: 2000

*UTM location was derived from PLSS - see Help

The data is furnished by the NM/OS/ISC and is accepted by the recipient with the expressed understanding that the OS/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

9/30/16 1:00 PM

Page 1 of 1

WELLS WITH WELL LOG INFORMATION

Bratcher, Mike, EMNRD

From: Bob Asher <BobA@yatespetroleum.com>
Sent: Wednesday, September 21, 2016 3:01 PM
To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD
Cc: Amber Griffin; Chase Settle; Katie Parker; Veronica Alvarado
Subject: Release Notification (Windmill ATI State #3)

Yates Petroleum Corporation is reporting a release at the following location (9/21/2016, 1:40 PM).

Windmill ATI State #3
30-005-61963
660 FSL & 660 FWL
Section 16, T15S-R28E
Chaves County, New Mexico

Released: Unknown at this time; Recovered: In Progress.

Cause of the release was from a lightning strike hitting the fiberglass produced water tank. The lightning strike occurred sometime this past weekend (9/17/2016), but because of flooded roads the lease operator was not able to get to the location until today. Vacuum truck(s) have been called. No further information at this time. A Form C-141 with complete information will be submitted.

Thank you.

Robert Asher
Sr. Environmental Supervisor
Health & Environmental Department
Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210
575-748-4217 (Office)
575-365-4021 (Cell)
Yates Safety Begins With YOUR Safety

This message may contain confidential information and is intended for the named recipient only. If you are not the intended recipient you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited. E-mail transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this message, which arise as a result of e-mail transmission. If verification is required please request a hard-copy version.
