

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

MAY - 2 2008  
OCD-ARTESIA

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**

3EB0814157019  
13EB0814156857  
13EB0814156583

**OPERATOR**

X Initial Report Final Report

Name of Company Yates Petroleum Corporation	Contact Mike Stubblefield
Address 105 South 4 <sup>th</sup> Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712
Facility Name Gulf KC State #1 30-015-22728	Facility Type Tank Battery

Surface Owner <u>Fee STATE</u>	Mineral Owner State	Lease No.
--------------------------------	---------------------	-----------

**LOCATION OF RELEASE**

Unit Letter C	Section 18	Township 18s	Range 25e	Feet from the 660'	North/South Line FNL	Feet from the 1980'	East/West Line FWL	County Eddy
------------------	---------------	-----------------	--------------	-----------------------	-------------------------	------------------------	-----------------------	----------------

Latitude 32.75387 Longitude 104.52654

**NATURE OF RELEASE**

Type of Release Produced water & condensate.	Volume of Release 19 bbls produced water & 1 bbl condensate	Volume Recovered 0
Source of Release Gun Barrel	Date and Hour of Occurrence 4/28/2008 am.	Date and Hour of Discovery 4/28/2008 3 00pm
Was Immediate Notice Given? Yes No X Not Required	If YES, To Whom	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully *		
Describe Cause of Problem and Remedial Action Taken.* The water leg on gun barrel broke due to high winds The water leg was repaired on the gun barrel.		
Describe Area Affected and Cleanup Action Taken.* The impacted area was located in the battery area around the gun barrel and along the berm on the eastside of the battery. The battery area was partially bermed. The pasture on the eastside of the battery was impacted. This area measured to be 15' x 30'. The impacted soil located within the bermed area of the battery was excavated. Removed soils were placed on a liner set on the location. Soil samples will be taken for analytical from the impacted areas. Soil samples will be sent to a second party lab & analysis ran for TPH & B-TEX and Chlorides. If the initial analytical results find the TPH & B-TEX to be over the RRAL. A work plan will be submitted to OCD for the correction of the hydrocarbons. When Analytical results reflect the TPH & B-tex to be under the RRAL. A final C-141 form will be submitted to the OCD requesting closure for the release that occurred on 4/28/2008. Final analytical results for the Chlorides will be evaluated and appropriate actions taken. Depth to ground water > 100'. Wellhead protection area > 1000'. Distance to surface water body > 1000'. Site ranking 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: <i>mike Stubblefield</i>	Approved by District Supervisor: <i>Don Myers</i>	
Printed Name Mike Stubblefield	Approval Date: <i>6-3-08</i>	Expiration Date: <i>8-1-08</i>
Title Environmental Regulatory Agent	Conditions of Approval: <i>STIPULATIONS</i>	
E-mail Address. mikes@ypcnm.com	Attached <input checked="" type="checkbox"/>	
Date: 5/1/2008 Phone 505-748-4500		

\* Attach Additional Sheets If Necessary

13EB0814157330

2RP-168

# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
**Reese Fullerton**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



June 3, 2008

Yates Petroleum Corporation  
Attn: Mike Stubblefield  
105 S 4<sup>th</sup> Street  
Artesia, NM 88210

Reference: Gulf KC State Com 001 C-18-18S-25E  
30 015 22728 Eddy County, New Mexico  
2RP-168

Operator,

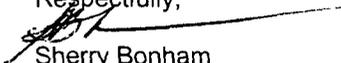
The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of an Initial Report C-141 for a release of produced water and condensate occurring at the above referenced facility on April 28, 2008. Included on the C-141 is a plan for remediation actions.

The plan is accepted with the following stipulations:

- Contaminated soils within the bermed area and the reported approximate 450 square feet pasture area shall be remediated so that residual contaminant concentrations are below the recommended soil remediation action levels. Confirmation soil samples reflecting TPH, BTEX, and chloride constituents will be required.
- Notify the OCD 48 hours prior to obtaining samples where analyses are to be submitted to the OCD.
- Remediation requirements may be subject to change as site conditions warrant.
- Results of analytical data obtained through sampling shall be forwarded to OCD for approval **prior** to any backfilling activities.
- A final Report C-141 is to be submitted to the OCD upon satisfactory completion of remediation project.
- Remediation to be completed on or before August 1, 2008.

Please be advised that NMOCD acceptance of this plan 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 this plan does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

Respectfully,

  
Sherry Bonham  
NMOCD District 2  
1301 W Grand Avenue  
Artesia, NM 88210  
575.748.1283 ext. 109  
[sherry.bonham@state.nm.us](mailto:sherry.bonham@state.nm.us)

