

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

DEC 23 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

W9EBC900630331 OPERATOR X Initial Report Final Report

Name of Company Yates Petroleum Corporation	Contact Mike Stubblefield
Address 105 South 4 th Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712
Facility Name Glowworm ALX Federal #13 & #15-H 30-015-36368	Facility Type Producing Oil wells
Surface Owner Federal	Mineral Owner Federal
Lease No.	

30015 36368

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	3 4	23s	31e	200'	FNL	1830'	FEL	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced water & hydrocarbon	Volume of Release 1000 BBLs PW 400 bbls Hydrocarbon	Volume Recovered 910 bbls
Source of Release Well pressure up and blow flow line	Date and Hour of Occurrence 12/11/2008 6 00am	Date and Hour of Discovery same
Was Immediate Notice Given? Yes X No Not Required	If YES, To Whom? NMOCD/Mike Bratcher by E-mail	
By Whom? Bob Asher	Date and Hour 12/11/2008 10 10 am	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse	

If a Watercourse was Impacted, Describe Fully *

Describe Cause of Problem and Remedial Action Taken *

The well pressured up, the flow line ruptured and parted near the wellhead A vacuum truck was immediately called to location and the free waters were recovered
The flow line was repaired

Describe Area Affected and Cleanup Action Taken *

The impacted area was located on the caliches location at the Glowworm #15H starting west of the wellhead. The release ran off the location at the Glow Worm #15H and pooled on the south side of the location. The release then ran in a narrow flow path measure to be 3' across parallel to the Glow Worm #15H location, the release pooled on the Glowworm #13 location The Glowworm #13 location is connected to the Glowworm #15H location There was a pooling area on the Glowworm #13 location measured to be 137'x80' The release flowed across the Glow Worm #13 location on the south side of the location into the pasture The impacted area off the location at the Glow worm #13 traveled 40'-65' south of the location in two narrow flow paths, there were two pooling areas right off of the Glowworm #13 location which were measured to be 39'x40' & 20'x30' A backhoe was called to the location, the visible impacted soil located on and off the locations at the Glow Worm #13 & 15H were excavated and hauled to an NMOCD approved Solid waste disposal facility The impacted areas off the location were excavated to and average depth of 4'-5' BGS A total of 1000 cu yds of impacted soil were hauled to disposal facility Soil samples will be taken from the impacted areas The initial soil samples taken will be analyzed using field test methods A work plan for the correction of the release will be submitted to the NMOCD for approval When remediation actions are completed Soil samples will be taken from the impacted areas The soil samples will be submitted to a second party lab and analysis will be ran for TPH using EPA Method 8015m, B-TEX will be analyzed using EPA Method 8260 When the analytical results from soil samples report the TPH & B-TEX to be under the RRAL A final C-141 form will be submitted to the NMOCD requesting closure for the release that occurred on 12/11/2008
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

Signature: <i>Mike Stubblefield</i>	OIL CONSERVATION DIVISION	
Printed Name Mike Stubblefield	Accepted for record NMOCD	Remediation Actions to be completed and Final C-141 submitted with confirmation analyses/documentation on or before the Expiration Date
Title Environmental Regulatory Agent	Approved by District Supervisor	Expiration Date 03-06-09
E-mail Address mikes@ypcnm.com	PROCESS Approval Date	Attached <input checked="" type="checkbox"/>
Date 12/22/2008 Phone 505-748-4500	Conditions	SEE ATTACHED STIPULATIONS

* Attach Additional Sheets If Necessary

2RP - 291



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jarina Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



January 6, 2009

Yates Petroleum Corporation
105 S 4th
Artesia, NM 88210

RE: Glowworm ALX Federal 015H 30-015-36368
B-4-23S-31E Eddy County, New Mexico
2RP-291

Dear Operator:

This office is in receipt of your C-141 regarding the produced water and crude oil release at this facility.

NMOCD Rule 19.15.3.116 NMAC states in part, "The responsible person must complete division approved corrective action for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with Section 19 of 19.15.1 NMAC."

A guide document intended to provide direction for remediation of soils and fresh waters contaminated as a result of leaks, spills, or releases of oilfield wastes and products is found on OCD's web site at the following link:
http://www.emnrd.state.nm.us/ocd/documents/7C_spill1.pdf

The following actions are **required** to be addressed in the **remediation plan**:

- Horizontal and vertical delineation of the spill by soil sampling. Delineation is required until contamination reaches background levels or a site specific acceptable level. Any constituent(s) of concern—to include but not limited to TPH, BTEX, and chlorides—are to be addressed in the delineation and remediation plan.
- Prepare a sketch of the site indicating where and at what depths the samples were taken.
- Submit laboratory results of sampling and the work plan proposal (plan) for remediation, removal and/or clean up of contaminants that may be present at the site.

Notify the OCD **48** hours prior to obtaining samples where analyses of samples obtained are to be submitted to the OCD. Notification is to include date and time of sample event.

Within 30 days, **on or before February 6, 2009**, completion of a remediation work plan should be finalized and submitted to the Division summarizing all actions taken or to be taken to mitigate environmental damage related to the leak, spill or release for approval.

Please be advised that NMOCD acceptance and/or approval of documents or work plans 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 and/or approval of documents or work plans do not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

If I may be of further assistance with this matter or should you have any questions, please feel free to contact me.

Sincerely,

Sherry Bonham
NMOCD District II

cc: Jim Amos, BLM

