

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

**RECEIVED**  
MAY 24 2010  
NMOCD 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**

*NMLB 10144476*

**OPERATOR**

Initial Report  Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 <sup>TH</sup> Street		Telephone No. 575-748-1471
Facility Name Compromise SWD #1	API Number 30-015-25665	Facility Type Battery

Surface Owner Federal (Bureau of Reclamation)	Mineral Owner Federal	Lease No. NM-65392
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**LOCATION OF RELEASE**

Unit Letter H	Section 30	Township 18S	Range 27E	Feet from the 1980	North/South Line North	Feet from the 800	East/West Line East	County Eddy
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Latitude 32.72051 Longitude 104.31146

**NATURE OF RELEASE**

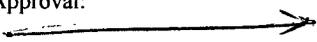
Type of Release Produced Water	Volume of Release 55 B/PW	Volume Recovered 45 B/PW
Source of Release Water Pump	Date and Hour of Occurrence 10/12/2009 - AM	Date and Hour of Discovery 10/12/2009 - AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour N/A	
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.\*  
Nipple broke on the discharge side of the water pump. Vacuum truck called.

Describe Area Affected and Cleanup Action Taken.\*  
An approximate area of 20' X 40'. Pump repaired. Vacuum truck recovered remaining produced water. Impacted soils to be excavated and taken to an NMOCD approved facility. Will conduct vertical & horizontal delineation to determine extent of contamination (samples will be sent to an NMOCD approved laboratory). Sample results will determine next actions (closure request or a work plan will be submitted). **Depth to Ground Water: < 50' (approximately 35'), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 20. Based on impacted soils excavated/removed and analytical results, Yates Petroleum Corporation requests closure.**

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>Robert Asher</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Robert Asher	Approved by District Supervisor Signed By: <i>Mike Deaton</i>	
Title: Environmental Regulatory Agent	Approval Date: <b>MAY 24 2010</b>	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: 	Attached <input checked="" type="checkbox"/>
Date: Monday, May 24, 2010	Phone: 575-748-4217	

\* Attach Additional Sheets If Necessary

*NMLB 1014442207*

*2RP-413*



New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Jon Goldstein**  
Cabinet Secretary

**Jim Noel**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



Yates Petroleum Corporation  
104 S. 4th St.  
Artesia, NM 88210  
ATTN: Robert Asher

May 24, 2010

Reference: Compromise SWD 30-015-25662 H-30-18S-27E Eddy County, New Mexico

Dear Mr. Asher,

In reviewing the closure proposal submitted for the 10/12/09 release at the above referenced well site, it is noted that Yates proposes to leave what OCD considers to be elevated chloride impacted soils in place. Be advised that typically in areas such as this, where depth to ground water is less than 50 feet bgs, OCD would likely require removal of some, or all, of this material. It has been observed that while performing remedial investigations at this site previously, there exists an extremely compacted clay soil layer that is encountered at approximately 4 feet to 10 feet bgs.

In this instance, OCD will take into consideration the naturally occurring clay stratum, and, the relatively low volume and salt content of the material proposed to leave in place, and accept this closure proposal.

While OCD does not consider the clay stratum to be a complete retardant to migrating contaminants, OCD does agree, that in this case, the likelihood of significant impact to ground water, surface water, human health and the environment is limited.

For future releases that may occur at this site, OCD may consider the accumulative amount of contaminants based on current and past releases, and require more stringent remedial actions.

Be advised that OCD acceptance and/or approval of this closure does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD acceptance and/or approval of this closure does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

Mike Bratcher  
NMOCD District 2  
1301 W. Grand Ave.  
Artesia, NM 88210  
575-748-1283 Ext.108

