

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**

**OPERATOR**

Initial Report  Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Chase Settle	
Address 104 S. 4 <sup>th</sup> Street		Telephone No. 575-748-1471	
Facility Name Lusk AHB Federal #1		Facility Type Well	

Surface Owner Federal	Mineral Owner Federal	API No. 30-025-30808
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**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	35	19S	32E	800	North	1650	East	Lea

Latitude 32.62164 Longitude -103.73322

**NATURE OF RELEASE**

Type of Release Crude Oil & Produced water	Volume of Release 2 B/O & 3 B/PW	Volume Recovered 0 B/O & 0 B/PW
Source of Release Flow line	Date and Hour of Occurrence 3/2/2015; AM	Date and Hour of Discovery 3/2/2015; 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.	

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\*

There was a leak in the flow line, causing a release and overspray of crude oil and produced water. Backhoe was called to remove impacted soil.

Describe Area Affected and Cleanup Action Taken.\*

An approximate area of 150'X 105' was affected with 110'X 43' being off location. The flow line was repaired and impacted soils were excavated and hauled to a NMOCD approved facility. An Initial/Final Report, C-141 is submitted to OCD requesting closure. **Depth to Ground Water: >100' (approximately 235', Section 35, T19S-32E, per ChevronTexaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on analytical results (3/10/2015 enclosed), 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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Chase Settle	Approved by <u>Hydrologist</u>  Environmental Specialist	
Title: NM Environmental Regulatory Agent	Approval Date: <u>03/17/2015</u>	Expiration Date: <u>///</u>
E-mail Address: CSettle@yatespetroleum.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: March 11, 2015 Phone: 575-748-4171	2RP- <u>///</u>	1RP-3564

\* Attach Additional Sheets If Necessary

nTO1507653923

pTO1507654679

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-59392

6. If Indian, Allottee or Tribe Name

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

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
Yates Petroleum Corporation

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
800' FNL, 1650' FEL (NWNE), Section 7, T22S-R31E

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

8. Well Name and No.  
Lusk AHB Federal #1

9. API Well No.  
30-025-30808

10. Field and Pool or Exploratory Area

11. County or Parish, State  
Lea 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</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	taken.
	<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.)

On March 2, 2015 there was a leak in the flow line, causing a release and overspray of crude oil (2 Bbls) and produced water (3 Bbls). Backhoe was called to remove impacted soil. An approximate area of 150'X 105' was affected with 110'X 43' being off location. The flow line was repaired and impacted soils were excavated and hauled to a NMOCD approved facility. An Initial/Final Report, C-141 is submitted to OCD requesting closure. Depth to Ground Water: >100' (approximately 235', Section 35, T19S-32E, per ChevronTexaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on analytical results (3/10/2015 enclosed), Yates Petroleum Corporation requests closure.

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

Title NM Environmental Regulatory Agent

Signature 

Date 03/11/2015

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

Approved by

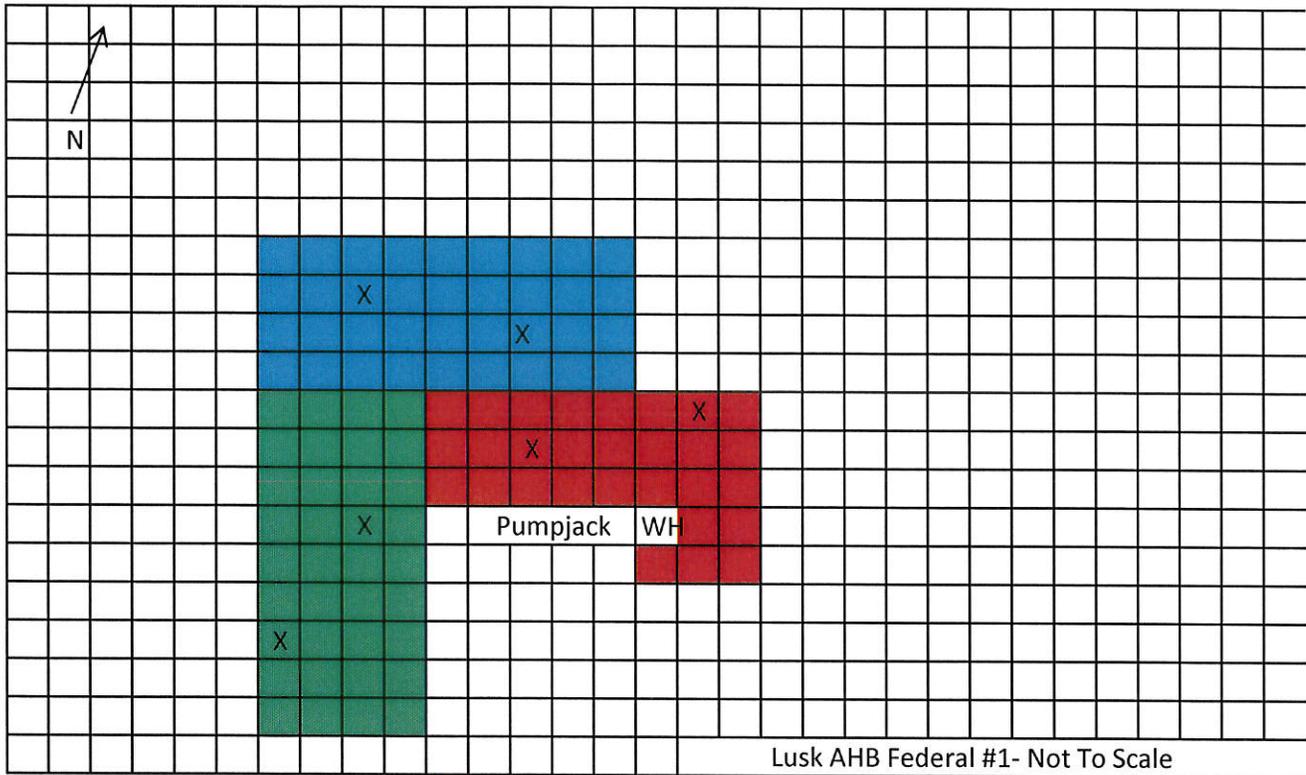
Title

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.



Analytical Report- H400297 (Cardinal)	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	Chlorides
S1-1'	Release Area	3/4/2015	Hand Auger	1'	<0.3	<10.0	<10.0	528
S1-2'	Release Area	3/4/2015	Hand Auger	2'	<0.3	<10.0	<10.0	384
S1-2'	Release Area	3/4/2015	Hand Auger	1'	<0.3	<10.0	<10.0	192
S1-3'	Release Area	3/4/2015	Hand Auger	1'	<0.3	<10.0	<10.0	<16.0

Site Ranking is Zero (0). DTGW >100' (approx 235', Section 35, T19S-R32E, Trend Map)

All results are ppm, Chlorides for documentation.

Released: 2 B/O, 3 B/PW Recovered: 0 B/O, 0 B/PW Release Date: 3/2/2015

March 10, 2015

CHASE SETTLE

YATES PETROLEUM CORPORATION

105 S 4th Street

Artesia, NM 88210

RE: LUSK AHB FEDERAL #1

Enclosed are the results of analyses for samples received by the laboratory on 03/06/15 9:55.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/qa/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

**Analytical Results For:**

 YATES PETROLEUM CORPORATION  
 CHASE SETTLE  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	03/06/2015	Sampling Date:	03/04/2015
Reported:	03/10/2015	Sampling Type:	Soil
Project Name:	LUSK AHB FEDERAL #1	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	NOT GIVEN		

**Sample ID: S 1-1' (H500621-01)**

BTEX 8021B		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	03/09/2015	ND	2.06	103	2.00	5.50		
Toluene*	<0.050	0.050	03/09/2015	ND	1.86	93.2	2.00	5.62		
Ethylbenzene*	<0.050	0.050	03/09/2015	ND	2.18	109	2.00	5.78		
Total Xylenes*	<0.150	0.150	03/09/2015	ND	6.03	100	6.00	5.94		
Total BTEX	<0.300	0.300	03/09/2015	ND						

Surrogate: 4-Bromofluorobenzene (PIE) 115 % 61-154

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	528	16.0	03/09/2015	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	03/07/2015	ND	194	96.8	200	3.70		
DRO >C10-C28	<10.0	10.0	03/07/2015	ND	200	100	200	4.50		

Surrogate: 1-Chlorooctane 94.6 % 47.2-157

Surrogate: 1-Chlorooctadecane 98.3 % 52.1-176

Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 YATES PETROLEUM CORPORATION  
 CHASE SETTLE  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	03/06/2015	Sampling Date:	03/04/2015
Reported:	03/10/2015	Sampling Type:	Soil
Project Name:	LUSK AHB FEDERAL #1	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	NOT GIVEN		

**Sample ID: S 1-2' (H500621-02)**

BTEX 8021B		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	03/09/2015	ND	2.06	103	2.00	5.50		
Toluene*	<0.050	0.050	03/09/2015	ND	1.86	93.2	2.00	5.62		
Ethylbenzene*	<0.050	0.050	03/09/2015	ND	2.18	109	2.00	5.78		
Total Xylenes*	<0.150	0.150	03/09/2015	ND	6.03	100	6.00	5.94		
Total BTEX	<0.300	0.300	03/09/2015	ND						

*Surrogate: 4-Bromofluorobenzene (PIE) 116 % 61-154*

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	384	16.0	03/09/2015	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	03/07/2015	ND	194	96.8	200	3.70		
DRO >C10-C28	<10.0	10.0	03/07/2015	ND	200	100	200	4.50		

*Surrogate: 1-Chlorooctane 88.7 % 47.2-157*
*Surrogate: 1-Chlorooctadecane 95.7 % 52.1-176*

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\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 YATES PETROLEUM CORPORATION  
 CHASE SETTLE  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	03/06/2015	Sampling Date:	03/04/2015
Reported:	03/10/2015	Sampling Type:	Soil
Project Name:	LUSK AHB FEDERAL #1	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	NOT GIVEN		

**Sample ID: S 2-1' (H500621-03)**

BTEX 8021B		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	03/09/2015	ND	2.06	103	2.00	5.50		
Toluene*	<0.050	0.050	03/09/2015	ND	1.86	93.2	2.00	5.62		
Ethylbenzene*	<0.050	0.050	03/09/2015	ND	2.18	109	2.00	5.78		
Total Xylenes*	<0.150	0.150	03/09/2015	ND	6.03	100	6.00	5.94		
Total BTEX	<0.300	0.300	03/09/2015	ND						

*Surrogate: 4-Bromofluorobenzene (PIE) 116 % 61-154*

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	192	16.0	03/09/2015	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	03/07/2015	ND	194	96.8	200	3.70		
DRO >C10-C28	<10.0	10.0	03/07/2015	ND	200	100	200	4.50		

*Surrogate: 1-Chlorooctane 93.0 % 47.2-157*
*Surrogate: 1-Chlorooctadecane 98.8 % 52.1-176*

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\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 YATES PETROLEUM CORPORATION  
 CHASE SETTLE  
 105 S 4th Street  
 Artesia NM, 88210  
 Fax To: (505) 748-4635

Received:	03/06/2015	Sampling Date:	03/04/2015
Reported:	03/10/2015	Sampling Type:	Soil
Project Name:	LUSK AHB FEDERAL #1	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	NOT GIVEN		

**Sample ID: S 3-1' (H500621-04)**

BTEX 8021B		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	03/09/2015	ND	2.06	103	2.00	5.50		
Toluene*	<0.050	0.050	03/09/2015	ND	1.86	93.2	2.00	5.62		
Ethylbenzene*	<0.050	0.050	03/09/2015	ND	2.18	109	2.00	5.78		
Total Xylenes*	<0.150	0.150	03/09/2015	ND	6.03	100	6.00	5.94		
Total BTEX	<0.300	0.300	03/09/2015	ND						

Surrogate: 4-Bromofluorobenzene (PIE) 116 % 61-154

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	<16.0	16.0	03/09/2015	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	03/07/2015	ND	194	96.8	200	3.70		
DRO >C10-C28	<10.0	10.0	03/07/2015	ND	200	100	200	4.50		

Surrogate: 1-Chlorooctane 95.1 % 47.2-157

Surrogate: 1-Chlorooctadecane 98.7 % 52.1-176

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\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

**Notes and Definitions**

- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- \*\* Samples not received at proper temperature of 6°C or below.
- \*\*\* Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C  
Samples reported on an as received basis (wet) unless otherwise noted on report

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Celey D. Keene, Lab Director/Quality Manager

