

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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

30-015-22889

Release Notification and Corrective Action

nMLB0529053634 (Loving AIB St. 001)

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Yates Petroleum Corp.	Contact Dan Dolan
Address 105 S. 4 th St., Artesia NM 88210	Telephone No. 748-4181
Facility Name Loving AIB State Battery	Facility Type Oil Battery
Surface Owner State	Mineral Owner State
Lease No.	

LOCATION OF RELEASE

Unit Letter G	Section 16	Township 23S	Range 28E	Feet from the 1550'	North/South Line N	Feet from the 1780'	East/West Line E	County Rddy
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Crude Oil, Produced Water	Volume of Release 7BO, 50BW	Volume Recovered 2BO, 20BW
Source of Release Water Tank overflow	Date and Hour of Occurrence 09-25-05 1300hrs	Date and Hour of Discovery 09-25-05, 1300 hrs
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? MIKE BROCKHURST, ARTESIA OCD	
By Whom?	Date and Hour 09-26-05	
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. *

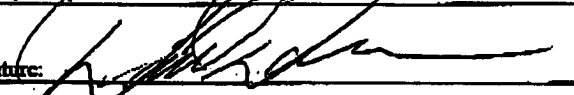

Describe Cause of Problem and Remedial Action Taken. *

Lost gas pressure to dump valves, could not operate, spilled on ground inside berm.

Describe Area Affected and Cleanup Action Taken. *

Vacuum truck picked up free fluids, backhoe picked up contaminated soil. Testing will be done. Ranking is as follows, Depth to water-10, wellhead protection area-0, distance to surface water-0

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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: 	OIL CONSERVATION DIVISION TIM GUM by MB 	
Printed Name: Dan Dolan	Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: 9/17/05	Expiration Date: N/A
E-mail Address: ddolan@ypcun.com	Conditions of Approval:	
Date: 09-27-05 Phone: 748-4181	Attached <input checked="" type="checkbox"/>	

* Attach Additional Sheets If Necessary * Note: Verbal notification was given 9/28/05 @ 3:44 PM
Not 9/26/05 as listed on this Form. - MJB



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Yates Petroleum Corp.
105 S. 4th St
Artesia NM 88210

October 17, 2005

Re: Loving AIB State 001 (Tank Battery) G-16-23s-28e 30-015-22889 Incident # nMLB0529053634

The New Mexico Oil Conservation Division District II Office is in receipt of an Initial Report C-141 reporting a produced fluids release that occurred on 9/25/2005 at or near the above referenced well site.

Please submit a Corrective Action Work Plan to this office for correction/remediation of this release. Please use the "Guidelines For Remediation of Leaks, Spills, and Releases" as your guide.

This document may be found on the NMOCD web site: www.emnrd.state.nm.us/ocd, under Publications/Environmental Handbook/Miscellaneous Guidelines/Spill Prevention Clean up.

The work plan presented to the NMOCD must include general site characteristics, site ranking score, soil remediation action levels, soil remediation methods, and planned analytical testing for TPH, B-TEX, Chlorides or any other CoCs as applicable.

A Final Report Form C-141 is required to be submitted upon satisfactory completion of project, and must include a report of remediation actions taken with final confirmation sample analysis results attached.

Like approval by BLM required if applicable.

Please have the requested work plan in the Artesia office on or before November 8, 2005. The NMOCD District II Office must be notified 24 hours prior to commencement of remediation actions and prior to samples being obtained where analysis of such samples are to be submitted to the OCD.

In the event that a satisfactory response is not received to this letter further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe. Such a hearing may result in imposition of **CIVIL PENALTIES** for your violation of NMOCD rules.

If I can be of assistance in this matter, my contact information is listed below.

Mike Bratcher

NMOCD District 2

1301 W. Grand Ave.

Artesia, NM 88210

(505) 748-1283 Ext. 108

(505) 626-0857

mbratcher@state.nm.com