

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

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

NM OIL CONSERVATION  
ARTESIA DISTRICT

SEP 30 2016

Form C-141  
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in  
accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

NAB1627750035		OPERATOR	<input checked="" type="checkbox"/> Initial Report	<input type="checkbox"/> Final Report
Name of Company Yates Petroleum Corporation		Contact Amber Griffin		
Address 104 S. 4 <sup>th</sup> Street		Telephone No. 575-748-1471		
Facility Name Windmill ATI State #3		Facility Type Salt Water Disposal/Tanks		
Surface Owner State		Mineral Owner State	API No. 30-005-61963	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	16	15S	28E	660	South	660	West	Chaves

Latitude 33.01069 Longitude 104.14336

NATURE OF RELEASE

Type of Release Crude Oil, Produced Water	Volume of Release 153 B/O, 585 B/PW	Volume Recovered 60 B/O, 0 B/PW
Source of Release Lightning strike	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 9/21/2016, AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher, Heather Patterson	
By Whom? Bob Asher, Yates Petroleum Corporation	Date and Hour 9/21/2016; 3:01 PM	
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.\*

Lightning from a storm during the weekend of September 17<sup>th</sup> struck the tanks, completely burning both a fiberglass 1,000 barrel water tank and a fiberglass 750 barrel gun barrel. A steel 210 barrel oil tank was also damaged beyond further use during the fire. The release/fire was not discovered until 9/21/2016 because of impassable roads preventing the lease operator from accessing the site. All burned tanks and equipment were removed from the location and a vacuum truck was called to recover as much of the fluids as possible.

Describe Area Affected and Cleanup Action Taken.\*

The area affected by the fire and release remained on the production pad. An initial scrape of contaminated soils has taken place. Excavated soils will be hauled to a NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX. If initial analytical results for TPH & BTEX are under RRAL's (site ranking is 0) a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL's a work plan will be submitted to the OCD. Depth to Ground Water: > 100' (approximately 125', Section 21, T15S-R28E, per NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 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: <u>Amber Griffin</u>		OIL CONSERVATION DIVISION	
Printed Name: Amber Griffin		Signed By <u>[Signature]</u> Approved by Environmental Specialist	
Title: Environmental Representative		Approval Date: <u>10/31/16</u>	Expiration Date: <u>N/A</u>
E-mail Address: agriffin@yatespetroleum.com		Conditions of Approval: Remediation per O.C.D. Rules & Guidelines Attached <input type="checkbox"/>	
Date: September 30, 2016 Phone: 575-748-4111		2. SUBMIT REMEDIATION PROPOSAL NO <u>1114116</u>	

\* Attach Additional Sheets If Necessary

LATER THAN: 1114116

2RP-3922