

State of New Mexico  
Energy Minerals and Natural Resources

Form C-141  
Revised October 10, 2003

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

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

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

Release Notification and Corrective Action

nMLB 0900630709

30-005-64003

OPERATOR

Initial Report X Final Report

Name of Company Yates Petroleum Corporation	Contact Mike Stubblefield
Address 105 South 4 <sup>th</sup> Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712
Facility Name Oreck BDO Com. #1 <del>30-005-63595</del> → Canceled App	Facility Type Drilling Pit
Surface Owner Fee	Mineral Owner
	Lease No

LOCATION OF RELEASE

Unit Letter G	Section 21	Township 10s	Range 26e	Feet from the 990' 2150	North/South Line FNL	Feet from the 1780	East/West Line FEL	County Eddy
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Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

NATURE OF RELEASE

Type of Release Drilling Fluids	Volume of Release Unknown	Volume Recovered 0
Source of Release Drilling pit	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 9/26/2008
Was Immediate Notice Given? Yes No X Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
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 drilling reserve pit located at the Oreck "BDO" Com #1 is currently being closed with an approved C-144 form under NMOCD Rule 17. The pit material was excavated and hauled to Gandy Marley Inc. an NMOCD approved solid waste disposal facility. Soil samples were taken on 9/24/2008 from bottom of the cleaned out drilling pit. Soil samples taken were submitted to a second party Lab and analysis ran for THP using EPA Method 8015M & 418.1, B-TEX using EPA Method 8021. The Chlorides were analyzed using EPA Method 4500 CL-B. Analytical results dated 9/26/2008 from Cardinal Lab reported the GRO <25 mg/kg, DRO <25 mg/kg, Total TPH <100 mg/kg, B-TEX <50 mg/kg, Benzene 050 mg/kg. The Chlorides were reported to be 5,200 mg/kg. The GRO, DRO, Total TPH, B-TEX and Benzene did not exceed the requirements for closure of the drilling pit under NMOCD Rule 17. The Chlorides were reported to be above the closure requirements of 500 mg/kg.

Describe Area Affected and Cleanup Action Taken \*

The Chloride impacted soil located in the cleaned out drilling pit bottom was further excavated from a depth of 9' BGS to a depth of 12' BGS. The excavated soil was hauled to Gandy Marley Inc. Soil samples were taken for analytical from the bottom of the cleaned out drilling pit at 12' BGS. Analytical results dated 10/9/2008 received from Cardinal Lab reported the Chlorides to be 928 mg/kg. Further delineation for Chlorides was then conducted by the use of a trachoe. Grab soil samples were taken below the cleaned out drilling pit bottom at 13'-15' BGS. Analytical results dated 10/13/2008 received from Cardinal Lab reported the Chlorides to be 13' BGS CL-608 mg/kg, 14' BGS CL-464 mg/kg & 15' BGS CL-352 mg/kg. 10/14/2008 YPC Jerry Fanning and Mike Stubblefield meet with NMOCD Tim Gum and Mike Bratcher. Based on a review of the analytical results from Cardinal Lab dated 10/9/2008 & 10/13/2008 Mr. Bratcher instructed YPC to backfill the cleaned out drilling pit to a depth of 4' BGS. Install a 20 Mil. Liner over the bottom of the cleaned out drilling pit with the exception of the SE corner. Yates was then allowed to backfill the cleaned out drilling pit back to grade using clean soil. All actions as required by NMOCD/Mike Bratcher have been completed. Yates Petroleum Corporation is submitting the final C-141 form for the closure of the drilling pit at the Oreck BDO Com #1 requesting closure.

Depth to ground water < 50', Wellhead protection area > 1000', Distance to surface water body > 1000' Site ranking 20

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 by MB Signed By <i>Mike Bratcher</i>	
Printed Name Mike Stubblefield	Approved by District Supervisor 2009-10-15	
Title, Environmental Regulatory Agent	Approval Date JAN 06 2008	Expiration Date N/A
E-mail Address, mikes@ypcnm.com	Conditions of Approval: N/A	Attached <input type="checkbox"/>
Date 11/7/2008 Phone 505-748-4500		

\* Attach Additional Sheets If Necessary