

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

Form C-141  
Revised August 8, 2011

MAY 08 2015

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

RECEIVED

Release Notification and Corrective Action

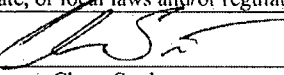
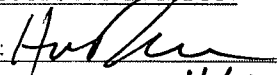
NAB1513153734		OPERATOR	<input checked="" type="checkbox"/> Initial Report	<input type="checkbox"/> Final Report
Name of Company Yates Petroleum Corporation		Contact Chase Settle		
Address 104 S. 4 <sup>th</sup> Street, Artesia, NM 88210		Telephone No. 575-748-4171		
Facility Name Glow Worm ALX Federal Battery		Facility Type Battery		
Surface Owner Federal		Mineral Owner Federal	API No. 30-015-35313	

LOCATION OF RELEASE

Unit Letter C	Section 3	Township 23S	Range 31E	Feet from the 330'	North/South Line North	Feet from the 2310'	East/West Line West	County Eddy
------------------	--------------	-----------------	--------------	-----------------------	---------------------------	------------------------	------------------------	----------------

Latitude 32.33985 Longitude -103.76988

NATURE OF RELEASE

Type of Release Crude Oil and Produced Water	Volume of Release 5 B/O; 2000 B/PW	Volume Recovered 5 B/O; 1620 B/PW
Source of Release Failure of a 4" poly discharge line.	Date and Hour of Occurrence 4/27/2015; 9:00 a.m.	Date and Hour of Discovery 4/27/2015; 9:00 a.m.
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, Randy Dade, Jim Amos	
By Whom? Bob Asher	Date and Hour 4/27/2015; 3:26 p.m.	
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.* A failure occurred on the 4" poly discharge line for produced water.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 340' X 40' was impacted within the lined, bermed battery. The failed poly line was located on the edge of the berm and the spray washed the caliche off a portion of the liner on the east side allowing the release to flow off location on the east side. Approximately 750' X 40' was affected starting at the northeast corner flowing south before turning west and running across the location and into the pasture, with 3 fingers crossing the lease road and flowing south into the pasture. Approximately 104' X 80' was affected off the northeast corner of the battery by overspray from the failed line. The west side of the bermed battery also suffered a failure when the release washed the caliche off the top of a portion of the lined berm. This allowed for an area approximately 510' X 30' to be impacted off location flowing to the west with one pooling area that was 60' X 120'. Vacuum truck(s) were called to remove standing fluid and impacted soils were excavated and hauled to a NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). 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 105', Section 3, T23S-R31E, per Trend Map), 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: 	OIL CONSERVATION DIVISION	
Printed Name: Chase Settle	Approved by Environmental Specialist: 	
Title: NM Environmental Regulatory Agent	Approval Date: 5/11/15	Expiration Date: N/A
E-mail Address: csettle@yatespetroleum.com	Conditions of Approval:	
Date: 05/8/2015	Phone: 575-748-4171	Attached <input type="checkbox"/>

Remediation per O.C.D. Rules & Guidelines  
SUBMIT REMEDIATION PROPOSAL NO  
LATER THAN: 6/12/15

2 RP-2996

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.*

**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)  
330' FNL & 2310' FWL, Section 3, T23S-R31E

5. Lease Serial No.  
NMNM-81953

6. If Indian, Allottee or Tribe Name  
N/A

8. Well Name and No.  
Glow Worm ALX Federal Battery

9. API Well No.  
30-015-35313

10. Field and Pool or Exploratory Area  
Los Medanos; Delaware

11. County or Parish, State  
Eddy 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 Clean up actions to be taken.	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<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 recompleate 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 recompleation 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.)

A failure occurred on the 4" poly discharge line for produced water. An approximate area of 340' X 40' was impacted within the lined, bermed battery. The failed poly line was located on the edge of the berm and the spray washed the caliche off a portion of the liner on the east side allowing the release to flow off location on the east side. Approximately 750' X 40' was affected starting at the northeast corner flowing south before turning west and running across the location and into the pasture, with 3 fingers crossing the lease road and flowing south into the pasture. Approximately 104' X 80' was affected off the northeast corner of the battery by overspray from the failed line. The west side of the bermed battery also suffered a failure when the release washed the caliche off the top of a portion of the lined berm. This allowed for an area approximately 510' X 30' to be impacted off location flowing to the west with one pooling area that was 60' X 120'. Vacuum truck(s) were called to remove standing fluid and impacted soils were excavated and hauled to a NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). 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 105', Section 3, T23S-R31E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000'; SITE RANKING IS 0.

Accepted for record  
NMOCD

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

Title NM Environmental Regulatory Agent

Signature

Date 05/08/2015

**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.

(Instructions on page 2)

**Patterson, Heather, EMNRD**

---

**From:** Chase Settle <CSettle@yatespetroleum.com>  
**Sent:** Friday, May 08, 2015 9:33 AM  
**To:** Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; 'Robertson, Jeffery'; Jim Amos  
**Cc:** Bob Asher; Katie Parker; Tanna Adams; Veronica Alvarado  
**Subject:** C141-Initial and Sundry Glow Worm ALX Federal Battery  
**Attachments:** C-141 (Initial) Glow Worm ALX Federal Battery.pdf; Sundry Glow Worm ALX Federal Battery.pdf

Attached please find the C-141 Initial and Sundry for the below listed location.

**Glow Worm ALX Federal Battery**

30-015-35313  
Section 3, T23S-R31E  
330' FNL & 2310' FWL  
NMNM- 81953  
Eddy County, New Mexico

Thanks,

*Chase Settle*

**Environmental Regulatory Agent**  
**Yates Petroleum Corporation**  
105 S. 4<sup>th</sup> Street  
Artesia, NM 88210  
575-748-4171 (Office)  
575-703-6537 (Cell)

---

**This message may contain confidential information and is intended for the named recipient only. If you are not the intended recipient you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited. E-mail transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this message, which arise as a result of e-mail transmission. If verification is required please request a hard-copy version.**

---

## **Patterson, Heather, EMNRD**

---

**From:** Bob Asher <BobA@yatespetroleum.com>  
**Sent:** Monday, April 27, 2015 3:26 PM  
**To:** Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; Dade, Randy, EMNRD; jamos@blm.gov  
**Cc:** Amber Cannon; Chase Settle; Katie Parker; Tanna Adams  
**Subject:** Release Notification (Glow Worm ALX Federal Battery)

**Yates Petroleum Corporation is reporting a release at the following location (4/27/2015, 10:00 AM).**

Glow Worm ALX Federal Battery  
30-015-35313  
Section 4, T23S-R31E  
Eddy County, New Mexico

**Released: 1000 B/PW; Recovered: In Process.**

Cause of the release is from flow line within the battery, the battery is lined but the amount of produced water release filled and overflowed the containment and went off the production pad. Vacuum truck(s) have been called. A Form C-141 with complete information will be submitted.

Thank you.

**Robert Asher**  
**NM Environmental Regulatory Supervisor**  
**Yates Petroleum Corporation**  
105 S. 4<sup>th</sup> Street  
Artesia, NM 88210  
575-748-4217 (Office)  
575-365-4021 (Cell)

C-141  
Received - 5/8/15  
ZRP-2996

---

**This message may contain confidential information and is intended for the named recipient only. If you are not the intended recipient you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited. E-mail transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this message, which arise as a result of e-mail transmission. If verification is required please request a hard-copy version.**

---