

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

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street		Telephone No. 505-748-1471
Facility Name Bilbrey SWD #1	API Number 30-025-27620	Facility Type Battery
Surface Owner Federal	Mineral Owner Federal	Lease No. NM-105220

LOCATION OF RELEASE

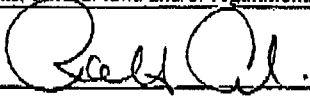

Unit Letter B	Section 5	Township 22S	Range 32E	Feet from the 660	North/South Line North	Feet from the 1980	East/West Line East	County Lea
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Latitude 32.42597 Longitude 103.69426

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release 10 B/O & 50 B/PW	Volume Recovered 5 B/O & 20 B/PW
Source of Release Water Pump	Date and Hour of Occurrence 9/7/2006 - PM	Date and Hour of Discovery 9/7/2006 - PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Pat Caperton, OCD District I	
By Whom? Robert Asher, Environmental Regulatory Agent, YPC	Date and Hour 9/8/2006, 9:16 AM (Telephone) & 9/8/2006, 9:18 AM (E-mail)	
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.* Water pump unable to keep up with rate of water coming into tanks. Vacuum truck called, overflow stopped. All fluids contained within berm.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 125' X 12', inside berm. Contaminated soils to be excavated and taken to Lea Land. Area to be evaluated. Depth to Ground Water: >100'; 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: Robert Asher	Approved by District Supervisor: 	
Title: Environmental Regulatory Agent	Approval Date: <u>10-20-06</u>	Expiration Date: <u>12-8-06</u>
E-mail Address: boba@ypcnm.com	Conditions of Approval: <u>Provide Final Report</u>	Attached <input type="checkbox"/>
Date: Thursday, September 14, 2006	Phone: 505-748-1471	

* Attach Additional Sheets If Necessary

NO LATER THAN 12-8-06

application - pPAC0626347615

RP#1039

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1935 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
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RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

October 19, 2006

Rp# 1039

Ms. Patricia Caperton
NMOCD District I
1625 French Drive
Hobbs, NM 88240

Re: Bilbrey SWD #1
30-025-27620
Section 5, T22S-R32E
Lea County, New Mexico

Dear Ms. Caperton:

Yates Petroleum Corporation would like to submit for your consideration the enclosed amended work plan for the above captioned well, this work plan will address the release which occurred on September 7, 2006.

If you have any questions call me at (505) 748-4217

Thank you.

YATES PETROLEUM CORPROATION

Robert Asher
Environmental Regulatory Agent

Enclosure(s)

Yates Petroleum Corporation

Bilbrey SWD #1

Work Plan

Section 5, T22S- R32E

October 19, 2006

I. Location

The well is located approximately 40 miles east-southeast of Carlsbad, NM, approximately 1 mile east of Campbell Road, as represented by the attached The Divide, NM, USGS Quadrangle Map.

II. Background

On September 14, 2006, Yates submitted to the NMOC District I office a C-141 report reflecting a release of 10 barrels of crude oil and 50 barrels of produced water from a water pump unable to keep up with the incoming volume. There were 5 barrels of crude oil and 20 barrels of produced water recovered. The affected area is approximately 125 feet by 12 feet, all inside the berm. The contaminated soils have been excavated and taken to an OCD approved land farm.

III. Surface and Ground Water

Area surface geology is Cenozoic. The nearest groundwater of record is listed on the ChevronTexaco, Eddy County Depth to Groundwater Water Well Facilities Trend Map dated 2/9/2005 shows the depth to groundwater is approximately 225 feet (Unit Letter B, Section 5, T22S-R32E) making the site ranking for this site a zero (0). Watercourses in the area are dry.

The ranking for this site is zero (0) based on the as following:

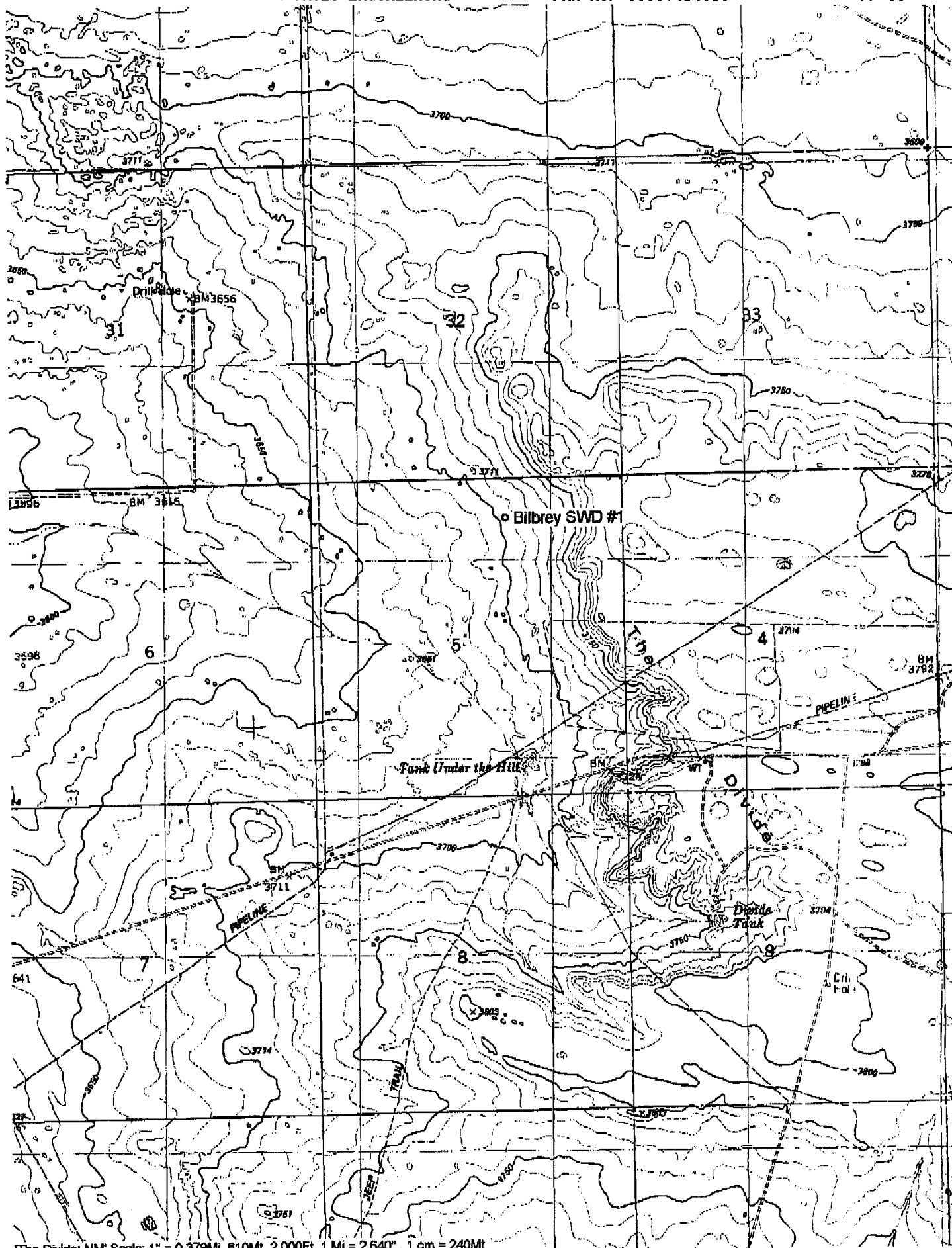
Depth to ground water	> 100'
Wellhead Protection Area	> 1000'
Distance to surface water body	> 1000'

IV. Soils

The area consists of sand, interspersed with caliche and clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface.

V. Scope of Work

Yates Petroleum Corporation will take a water sample (chloride testing for reference purposes only) and soil samples within the effected area as a measure of delineation. These samples will be sent to a certified lab and analyzed for BTEX, TPH and chlorides (for reference purposes only). Based on the Total Ranking Score of zero (0), RRAL's for BTEX is 50 ppm and TPH is 5000 ppm. If results of BTEX and or TPH are above OCD guidelines, then further remediation will be implemented to attain the acceptable limits. If lab analysis reflects closure levels then Yates will contact the Oil Conservation Division to give opportunity to witness a final sampling event and will submit a C-141 for final closure.



The Divide; NM Scale: 1" = 0.379Mi 610M; 2,000Ft, 1 Mi = 2.640", 1 cm = 240M