

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

JUL 18 2008

OCD-ARTESIA

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

SEB 0821948010  
N SEB 0821947882

OPERATOR

X Initial Report Final Report

Name of Company Yates Petroleum Corporation	25575	Contact Mike Stubblefield
Address 105 South 4 <sup>th</sup> Street, Artesia, N.M. 88210		Telephone No. 505-7484500 505-513-1712
Facility Name Knoll AOK Federal #1	30 015 28127	Facility Type PW gathering line.
Surface Owner Federal	Mineral Owner	Lease No.

LOCATION OF RELEASE

Unit Letter G	Section 3	Township 24s	Range 29e	Feet from the 1980'	North/South Line FNL	Feet from the 1980'	East/West Line FEL	County Eddy
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Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

NATURE OF RELEASE

Type of Release: Produced water	Volume of Release 50 B/PW	Volume Recovered 0 B/PW
Source of Release 8" water line west of the knoll AOK Federal #1	Date and Hour of Occurrence 7/7/2008	Date and Hour of Discovery same
Was Immediate Notice Given? Yes X No Not Required	If YES, To Whom? NMOCD/Mike Bratcher's	
By Whom? Mike Stubblefield	Date and Hour 7/7/2008 2:10pm	
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.  
Pipeline split, looked like a manufacture defect. The line was repaired and placed back into service.

Describe Area Affected and Cleanup Action Taken.\*  
The impacted area was the waterline right away. Soil samples will be taken from the impacted area. Soil samples will be submitted to a second party lab and analysis ran for Chlorides using EPA Method 300. When the analytical report is received from initial soil samples taken, the Chlorides will be evaluated and appropriate actions taken. Yates Petroleum Corporation will then submit a final C-141 form requesting closure for the release that occurred on 5/30/2008. Depth to ground water > 100', Wellhead protection area > 1000', Distance to surface water body > 1000' Site ranking 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: <i>Mike Stubblefield</i>	OIL CONSERVATION DIVISION	
Printed Name: Mike Stubblefield	Approved by District Supervisor: <i>TGumby SB</i>	Remediation Actions to be completed and Final C-141 submitted with confirmation analyses/documentation on or before the Expiration Date.
Title: Environmental Regulatory Agent	Approval Date: 9-24-08	Expiration Date: 11-24-08
E-mail Address: mikes@ypcnm.com	Conditions of Approval: SEE ATTACHED STIPULATIONS	Attached <input checked="" type="checkbox"/>
Date: 7/18/2008 Phone: 505-748-4500		

\* Attach Additional Sheets If Necessary

SEB 0821948095

2RP-210  
Notify OCD 48 hours prior to  
obtaining samples where analyses  
are to be presented to OCD



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
**Reese Fullerton**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



September 24, 2008

Yates Petroleum Corporation  
105 S 4<sup>th</sup> Street  
Artesia, NM 88210

RE: Knoll AOK Federal 001 G-3-24S-29E  
30-015-28127 Eddy County, New Mexico  
2RP-210

Dear Operator:

This office is in receipt of your C-141 regarding the produced water release at this facility.

NMOCD Rule 19.15.3.116 states in part, "...The responsible person must complete **division approved corrective action** for releases which endanger public health or the environment. Releases will be addressed in accordance with a **remediation plan** submitted to and approved by the division or with an abatement plan submitted in accordance with Section 19 of 19.15.1 NMAC."

Information and tools for proper corrective action may be found in the Environmental Handbook on our web site at the following link:

[http://www.emnrd.state.nm.us/oed/documents/7C\\_spill1.pdf](http://www.emnrd.state.nm.us/oed/documents/7C_spill1.pdf)

The following actions are **required** to be addressed in the **remediation plan**:

- Determine the horizontal and vertical delineation (TPH, BTEX, and Chlorides) of the spill by sampling. Constituents of concern (TPH, BTEX, and Chlorides) are to be addressed in the delineation and remediation plan.
- Prepare a sketch of the site indicating where and at what depths the samples were taken.
- Submit laboratory results of sampling as well as the proposed remediation with the plan.

Remediation requirements may be subject to other federal, state, and local laws or regulations.

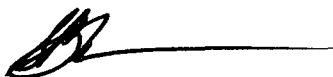


Within 30 days, **on or before October 24, 2008**, completion of a remediation work plan should be finalized and submitted to the Division summarizing all actions taken or to be taken to mitigate environmental damage related to the leak, spill or release for approval.

Please be advised that NMOCD acceptance and/or approval of documents or work plans 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 and/or approval of documents or work plans do not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

If I may be of further assistance with this matter or should you have any questions, please feel free to contact me.

Sincerely,



Sherry Bonham  
NMOCD District II, Artesia  
(505) 748-1283 ext 109  
E-mail: [sherry.bonham@state.nm.us](mailto:sherry.bonham@state.nm.us)