

HOBBS OGD

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

DEC 08 2014

RECEIVED

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 August 8, 2011

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

Release Notification and Corrective Action

OPERATOR

Initial Report  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 Lotus ALT State #9	Facility Type Well

Surface Owner State	Mineral Owner State	API No. 30-025-37661
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LOCATION OF RELEASE

Unit Letter M	Section 32	Township 22S	Range 32E	Feet from the 480'	North/South Line South	Feet from the 330'	East/West Line West	County Lea
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Latitude 32.34197 Longitude -103.70373

NATURE OF RELEASE

Type of Release Crude Oil and Produced Water	Volume of Release 15 B/O, 25 B/PW	Volume Recovered 0 B/O, 0 B/PW
Source of Release Flow Line	Date and Hour of Occurrence 9/3/2013; AM	Date and Hour of Discovery 9/3/2013; AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Geoffrey Leking, NMOCD I	
By Whom? Bob Asher	Date and Hour 9/3/2014; 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.\*

Release was caused by a poly flow line failure causing oil and produced water to spray across the pad and surrounding areas. Fluid pooled on the lease road and a small area next to the road. Well was shut-in and poly line isolated. Vacuum truck was dispatched and a crew was called to repair the line. Impacted area to be excavated and areas impacted by spray mist to be treated with Micro Blaze.

Describe Area Affected and Cleanup Action Taken.\* An approximate area of 50' X 60' was impacted. Impacted soils to be scraped up and taken to an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX. Chlorides will be run for documentation. If initial analytical results for TPH & BTEX are under RRAL's 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. **Depth to Ground Water: >100' (approximately 325', Section 32-T22S-R32E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on completion of Work Plan (scope of work, analytical data, release sketch enclosed with Work Plan) dated and approved 9/24/2014 by NMOCD for IRP-3347, Yates Petroleum requests closure.**

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.

OIL CONSERVATION DIVISION

Signature:	Approved by Environmental Specialist:	
Printed Name: Chase Settle	Approval Date: <u>12-8-14</u>	Expiration Date: _____
Title: NM Environmental Regulatory Agent	Conditions of Approval: _____	
E-mail Address: csettle@yatespetroleum.com	Attached <input type="checkbox"/>	
Date: 12/1/2014 Phone: 575-748-4171	<u>IRP-3347</u>	

\* Attach Additional Sheets If Necessary

170 1426 73 0270  
170 1426 73 6485

DEC 11 2014