NM OIL CONSERVATION

ARTESIA DISTRICT

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

Date: 02/23/2016

State of New Mexico Energy Minerals and Natural Resources FEB 2.3 2016

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr. RECEIVED to appropriate District Office in accordance with 19.15.29 NMAC.

1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 Release Notification and Corrective Action NAB 16051036909 **OPERATOR** Final Report ☐ Initial Report Name of Company Contact 25515 Yates Petroleum Corporation Chase Settle Address Telephone No. 104 S. 4th Street, Artesia, NM 88210 575-748-4171 Facility Name Facility Type Julie #2 Battery Battery Surface Owner Mineral Owner API No. Private Private 30-015-25905 LOCATION OF RELEASE Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line County N South 1980' 8 19S 25E 6603 West Eddy Latitude 32.67042 Longitude -104.50895 NATURE OF RELEASE Type of Release Volume of Release Volume Recovered Crude Oil 65 B/O 65 B/O Source of Release Date and Hour of Occurrence Date and Hour of Discovery Casing failure and production tanks overflowed 2/14/2016; 9:00 a.m. 2/14/2016; 9:00 a.m. Was Immediate Notice Given? If YES, To Whom? ☑ Yes ☐ No ☐ Not Required Mike Bratcher, Heather Patterson By Whom? Date and Hour Amber Griffin 2/14/2016; 3:29 p.m. Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes 🖾 No N/A If a Watercourse was Impacted, Describe Fully.* N/A Describe Cause of Problem and Remedial Action Taken.* Fill valve left open on a full crude oil tank, caused crude oil tank to overflow. Describe Area Affected and Cleanup Action Taken.* An approximate area of 100' X 30' was impacted within the steel containment of the battery. All released crude oil was recovered by vacuum truck(s). Due to the steel containment collecting all released crude oil and allowing for all the released crude oil to be recovered, a C-141 Initial/Final is submitted to the OCD requesting closure. Depth to Ground Water: >100' (approximately 105', Section 8, T19S-R25E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Yates Petroleum Corporation 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 Signed By Approved by Environmental Special Printed Name: Chase Settle Expiration Date: NIA Approval Date: Title: NM Environmental Regulatory Agent E-mail Address: csettle@yatespetroleum.com Conditions of Approval: FINAL

Phone: 575-748-4171

Attached

Bratcher, Mike, EMNRD

From:

Chase Settle < CSettle@yatespetroleum.com>

Sent:

Tuesday, February 23, 2016 9:49 AM

To:

Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD

Cc:

Bob Asher; Veronica Alvarado

Subject:

C-141 Initial-Final Julie #2 Battery

Attachments:

C-141 Initial-Final Julie #2 Battery_2016_02_14.pdf

Please find attached the C-141 Initial/Final for the below listed location.

Julie #2 Battery

30-015-25905 Section 8, T19S-R25E Eddy County, New Mexico

Thank you,

Chase Settle, M.S.

Environmental Regulatory Agent Yates Petroleum Corporation 105 S. 4th 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:

Amber Griffin <AGriffin@yatespetroleum.com>

Sent:

Sunday, February 14, 2016 3:29 PM

To:

Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD

Cc:

Bob Asher; Chase Settle; Katie Parker; IncidentReportingNM; Veronica Alvarado

Subject:

Release Notification (Julie #2 Battery)

Yates Petroleum Corporation is reporting a release at the following location (2/14/2016, 8:00 AM).

Julie #2 Battery Section 8, T19S-R25E Eddy County, New Mexico

Released: >25 barrels Crude Oil; Recovered: In Process.

Cause of the release is that a fill valve was open on a full tank. The release was contained within a lined/bermed battery. Vacuum truck(s) have been dispatched to recover released crude oil. A Form C-141 with complete information will be submitted.

Thank you,

Amber Griffin Environmental Regulatory Agent Yates Petroleum Corporation Office: (575) 748-4111 Cell: (575) 513-8799

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.