

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 MIKE STUBBLEFIELD
Address 105 S 4 TH STREET		Telephone No. 505.748.1471
Facility Name KIWI AKX STATE 8	API Number 30-025-31889	Facility Type SWD

Surface Owner STATE	Mineral Owner	Lease No.
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LOCATION OF RELEASE

Unit Letter F	Section 16	Township 22S	Range 32E	Feet from the 1980	North/South Line NORTH	Feet from the 2310	East/West Line WEST	County LEA
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Latitude 32.39353 Longitude 103.68019

NATURE OF RELEASE

Type of Release PRODUCED WATER	Volume of Release 800 B/PW	Volume Recovered 0 B/PW
Source of Release WATER GATHERING LINE	Date and Hour of Occurrence 5/29/06 AM	Date and Hour of Discovery 5/29/06 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? PAT CAPERTON	
By Whom? JERRY FANNING	Date and Hour 5/30/06 9:30 AM	
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 SWEDGE ON DISCHARGE SIDE OF THE TRIPLEX PUMP CORRODED AND BROKE OFF. SHUT VALVES, STOPPED LEAK, AND SWEDGE WAS REPLACED ON PUMP.

Describe Area Affected and Cleanup Action Taken.*

AREAS AFFECTED: DIKED AREA IN WHICH PUMP WAS SITTING, AREA BETWEEN THE SWD FACILITY AND THE LEASE ROAD, AND APPROXIMATELY 500 YARDS OF THE LEASE ROAD.

SEE ATTACHED REMEDIATION ACTION WORK PLAN.

DEPTH TO GROUND WATER: > 100', WELL HEAD 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>Paul Stubblefield</i>	
Title: Environmental Regulatory Agent	Approval Date: 6-13-06	ENVIRONMENTAL ENGINEER
E-mail Address: mikes@ypcnm.com	Conditions of Approval: attached plan	Attached <input type="checkbox"/>
Date: June 7, 2006	Phone: 505.748.1471	

* Attach Additional Sheets If Necessary

AMENDMENT TO PREVIOUSLY SUBMITTED C-141 DATED 5/31/06 M. Stubblefield

incident - n PAC0616536743
application - p PAC0616536920

Spill Summary and Work Plan

Incident Date: May 29, 2006

Location: Kiwi AKX State #8
Unit F Section 16 T22S R32E
Lea County, New Mexico

The well is located 54 miles south east of Carlsbad New Mexico, as depicted on the attached Divide USGS Quadrangle Map. This site lies on the edge of a eastward sloping plain cut by dry drainage channels.

Watercourses in the area are dry except for infrequent flows in response to major precipitation events. Area surface geology includes Quaternary Pleistocene conglomerate. The area, dry at the time of the spill, consists of soil that is fine grained, loamy and interspersed with clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface. Groundwater in the area is estimated to be at a depth of 350' feet.

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'

Incident Description:

The swedge on discharge side of injection pump corroded and broke off. Produced waters from the pump then over flowed & breached the diked area in which the pump was set, the area behind the tank battery & between the lease road located est. 100' behind the SWD facility was impacted with released fluids, the main part of the release flowed down the lease road which is located north of the SWD facility.

Action Taken:

Valves on supply line to pump were shut, a new swedge was installed on the pump.

Closure Plan:

The impacted area will be allowed to dry. The impacted area located with-in the diked area of the SWD facility & the pasture land located behind the SWD facility will be treated with nitrate fertilizer and Roto tilled. The impacted soil on the lease road will be bladed using a backhoe. Soil samples will be taken in the diked area of the SWD facility & the Pasture land located behind the tank battery at a depth of 1' & 3'. Soil samples taken will be sent to a second party lab & tested for TPH using EPA method 8015m, An Chlorides using EPA method 300, a field vapor head space will be ran on location for B-tex. When the

analytical results from soil samples taken are under the R.R.A.L. for TPH in the area of the release, the field vapor headspace test are less than 100 ppm & Chlorides are documented. A final C-141 form with attached analytical results will be submitted to O.C.D. requesting closure of the release.

If you have questions or need additional information, please contact me at 505-748-4500.
Or E-mail me at mikes@ypcnm.com.

Sincerely,

Mike Stubblefield
Yates Petroleum Corporation
Environmental Regulatory Agent