

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 SHERRY BONHAM
Address 105 S 4 TH STREET		Telephone No. 505.748.1471
Facility Name LUSK AHB FEDERAL 2	API Number 30-025-31042	Facility Type TANK BATTERY
Surface Owner FEDERAL	Mineral Owner FEDERAL	Lease No. NM 59392

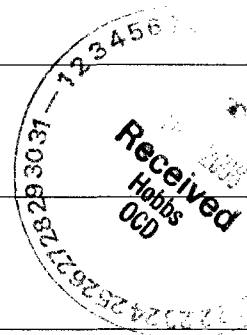
LOCATION OF RELEASE

Unit Letter G	Section 35	Township 19S	Range 32E	Feet from the 1930	North/South Line NORTH	Feet from the 1650	East/West Line EAST	County LEA
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Latitude 32.61853 Longitude 103.73323

NATURE OF RELEASE

Type of Release CRUDE OIL AND PRODUCED WATER	Volume of Release 1 B/O 20 B/PW	Volume Recovered 0 B/O 20 B/PW
Source of Release POLY LINE	Date and Hour of Occurrence 12/4/06 AM	Date and Hour of Discovery 12/4/06 AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour N/A	
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.* NA/		
Describe Cause of Problem and Remedial Action Taken.* 3" POLY LINE SPLIT. SHUT VALVES ON WATER TANK AND WATER LINE. REPAIRED LINE.		
Describe Area Affected and Cleanup Action Taken.* APPROXIMATE 5' X 20' AREA AFFECTED. VACUUM TRUCK AND CREW CALLED IN TO RECOVER FLUIDS. AFFECTED MATERIALS EXCAVATED AND DISPOSED AT DISPOSAL FACILITY. WORK PLAN ATTACHED. DEPTH TO GROUND WATER: >100'; WELLHEAD PROTECTION AREA: NO; 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: <u>Sherry Bonham</u>		OIL CONSERVATION DIVISION	
Printed Name: Sherry Bonham		Approved by District Supervisor: <u>[Signature]</u>	
Title: Environmental Regulatory Agent		Approval Date: <u>5-29-07</u>	Expiration Date: <u>8-29-07</u>
E-mail Address: sherryb@ypcnm.com		Conditions of Approval: <u>SUBMIT FINAL C-141 w/</u>	
Date: December 7, 2006 Phone: 505.748.1471		Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

incident - nPAC0715051022
application - pPAC0715051224

SUPPORTING DOCUMENTATION

RP# 1382

Spill Summary and Work Plan

Incident Date: December 4, 2006

Location: Lusk AHB Federal 2
API 30-025-31042
Unit G Section 35 T19S R32E
Lea County, New Mexico

The well is located approximately 18 miles southwest of Buckeye, NM as depicted on the attached Laguna Gatuna; NM USGS Quadrangle Map.

Watercourses in the area are dry except for infrequent flows in response to major precipitation events. The area, dry, clear, and calm at the time of the spill, consists of soil that is sandy loam. The bermed area and pad consists of hard packed caliche. Groundwater in the area is estimated to be at a depth of between 200 and 225 feet according to the Chevron/Texaco Lea County Depth to Groundwater Trend Map.

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

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

For sites with a Total Ranking Score of 0, the Recommended Remedial Action Levels are:

Benzene	10
BTEX	50
TPH	5000

Incident Description:

The area is the site of a tank battery. A three inch poly line split resulting in a release of one barrel of oil and twenty barrels of produced water. The spill affected an approximate 5' X 20' area within the berm.

Action Taken:

Immediately upon discovery, the source of the release was eliminated by shutting the valves on the water tank and the water line. A vacuum truck was called to remove fluids. Approximately twenty barrels of fluids were recovered. The poly line was repaired.

Work Plan:

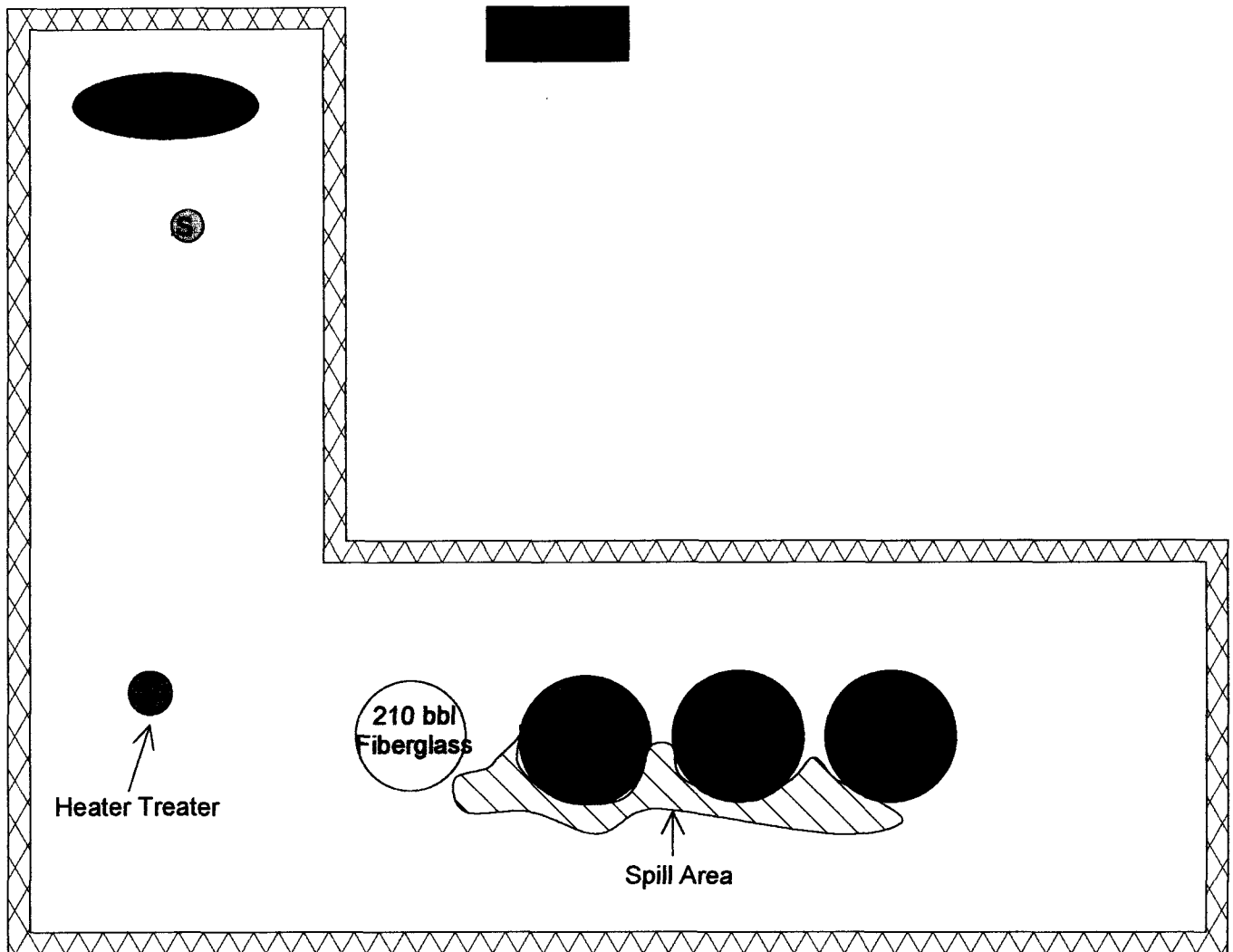
The visual contaminants of the impacted area have been excavated and removed to an approved NMOCD commercial disposal site. Soil samples will be obtained and sent to a third party laboratory to be analyzed for TPH and BTEX. Chloride analysis will be provided for reference. A 48 hour advance notice will be given OCD to allow opportunity to witness the sample collection. If concentrations exceed Recommended Remedial Action Levels (RRALs), further delineation and evaluation will be required. If, however, concentrations are within the RRALs, the excavated area will be backfilled with clean, like material and Yates Petroleum Corporation will request closure approval from OCD per section IX of the Guidelines.

Thank you for your consideration to this work plan. And should you have questions or need additional information, please contact me at 505-748-4162 or sherryb@ypcnm.com.

Respectfully,



Sherry Bonham
Environmental Regulatory Agent



Lusk AHB Federal 2

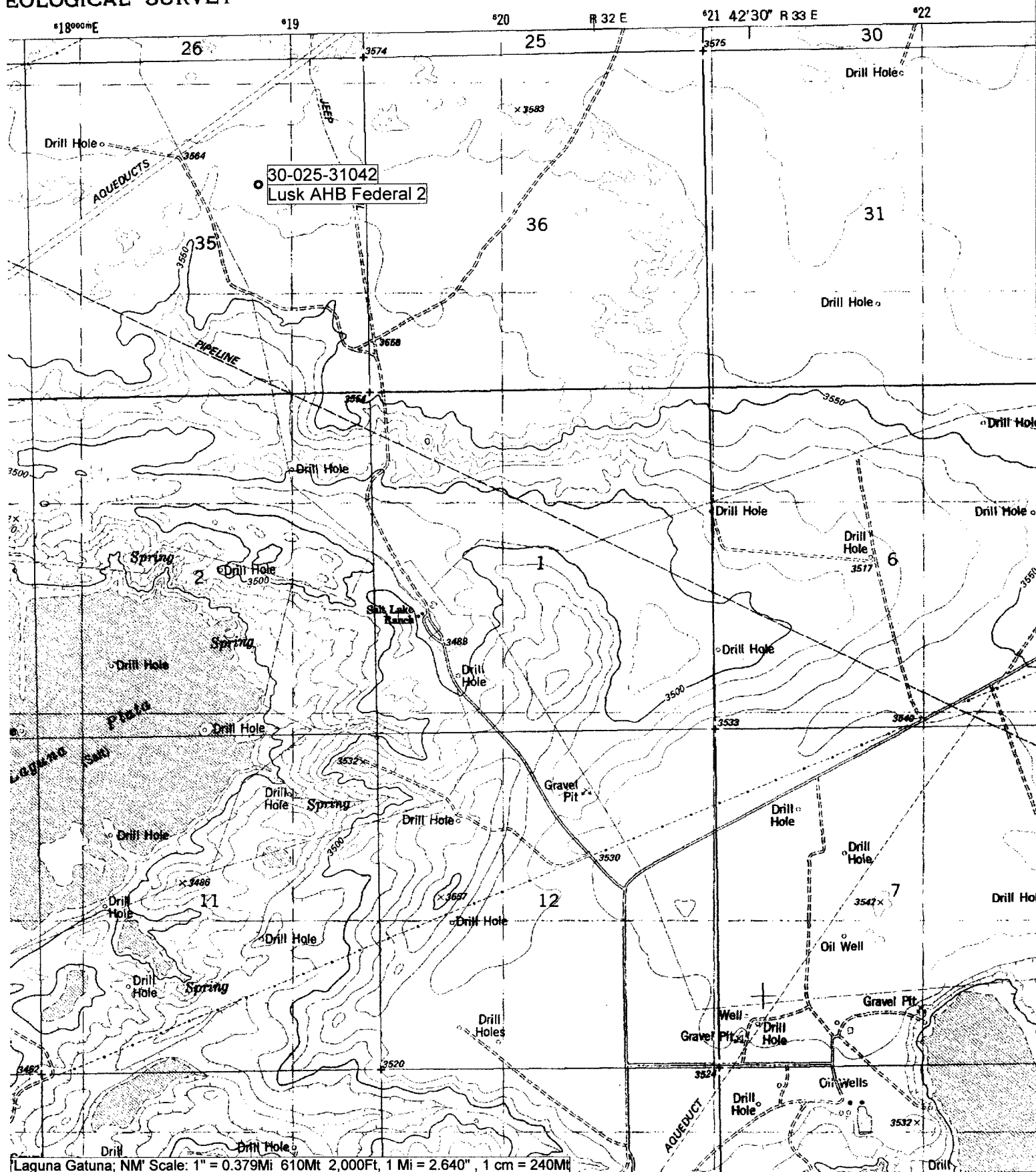
Sec. 35 T19S R32E

Lea County, NM

SPILL DIAGRAM
RELEASE DATE: DECEMBER 4, 2006

(Not to Scale)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986



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

S.P. YATES
CHAIRMAN EMERITUS

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CHAIRMAN OF THE BOARD

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FRANK YATES, JR.
EXECUTIVE VICE PRESIDENT

JOHN A. YATES, JR.
SENIOR VICE PRESIDENT

December 8, 2006

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

RE: Lusk AHB Federal 2 30-025-31042
35—T19S—R32E Unit Letter G
Lea County, New Mexico

Dear Pat,

Yates Petroleum Corporation would like to submit for your consideration the enclosed spill summary and work plan for the above captioned well.

Should you have any questions, please don't hesitate to contact me.
Thank you for your attention to this matter.

Respectfully,

Sherry Bonham
Environmental Regulatory Agent
Yates Petroleum Corporation

enclosures

