

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	Contact Mike Stubblefield	
Address 105 South 4 th Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712	
Facility Name Pronghorn "AAP" Federal #1	Facility Type Water line	
Surface Owner Federal	Mineral Owner	Lease No.

LOCATION OF RELEASE

Unit Letter M	Section 8	Township 23s	Range 33e	Feet from the 330'	North/South Line FSL	Feet from the 330'	East/West Line FWL	County Lea
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Latitude 32.31272 Longitude 103.60137

3002528927

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release 180 bbls Produced water with a skim of Oil.	Volume Recovered 80 bbls P.W.
Source of Release: Valve on Water Line in steel tub rusted & broke	Date and Hour of Occurrence 12/5/2005 over night	Date and Hour of Discovery 12/5/2005 8:30am
Was Immediate Notice Given? X Yes No Not Required	If YES, To Whom? Larry Johnson	
By Whom? Dan Dolan	Date and Hour 12/7/2005 11:00am	
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.* Valve on water line in steel tub rusted & broke.		
Describe Area Affected and Cleanup Action Taken.* The affected area measured 30'X180' with most of the impacted area being a narrow flow path across the location. A small area located off location near the steel box was affected. Called a vacuum truck, sucked out tub, replaced valve. The location was back dragged. 9/7/2007 Soil samples were taken for analytical from the impacted area. Soil samples taken were submitted to a second party lab & then tested for TPH, B-tex, & Chlorides. Analytical results show the TPH & B-tex to be under the RRAL for the site. The Chlorides have been documented. Yates Petroleum Corporation request closure for the release that occurred on 12/5/2005. 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: <u>Mike Stubblefield</u>	OIL CONSERVATION DIVISION	
Printed Name: Mike Stubblefield	Approved by District Supervisor <u>Larry Johnson</u>	
Title: Environmental Regulatory Agent	Approval Date: 2.3.08	Expiration Date: —
E-mail Address: mikes@ypcnm.com	ENVIRONMENTAL ENGINEER	
Date: 9/27/2007	Conditions of Approval: LIST AS RISK CLOSURE - CONTAMINATION ON WORKING LOCATION!	
Phone: 505 748 4500	Attached <input type="checkbox"/> RP# 1776	



ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
YATES PETROLEUM CORPORATION
ATTN: MIKE STUBBLEFIELD
105 SOUTH 4TH STREET
ARTESIA, NM 88210
FAX TO: (505) 748-4635

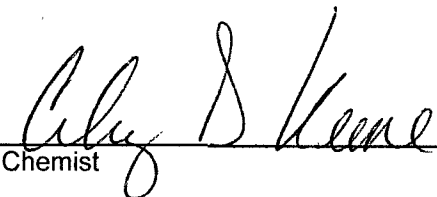
Receiving Date: 09/10/07
Reporting Date: 09/13/07
Project Number: 505-PROG.
Project Name: PRONGHORN AAP FED. #1
Project Location: SEC. 8-23S-33E

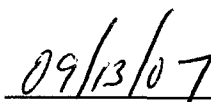
Sampling Date: 09/07/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: HM
Analyzed By: CK

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₂) (mg/Kg)	DRO (>C ₁₂ -C ₂₈) (mg/Kg)
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ANALYSIS DATE		09/11/07	09/11/07
H13276-1	A #1 IMPACTED AREA ON LOCATION	<10.0	<10.0
	SURFACE SAMPLE		
H13276-2	B #2 IMPACTED AREA OFF LOCATION	<10.0	<10.0
	SURFACE SAMPLE		
Quality Control		477	602
True Value QC		500	500
% Recovery		95.4	120
Relative Percent Difference		2.7	1.5

METHODS: TPH GRO & DRO: EPA SW-846 8015 M


Chemist


Date

H13276T YATES

PLEASE NOTE **Liability and Damages** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



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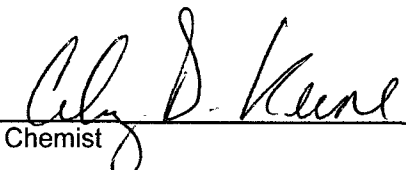
ANALYTICAL RESULTS FOR
YATES PETROLEUM CORPORATION
ATTN: MIKE STUBBLEFIELD
105 SOUTH 4TH STREET
ARTESIA, NM 88210
FAX TO: (505) 748-4635

Receiving Date: 09/10/07
Reporting Date: 09/13/07
Project Number: 505-PROG.
Project Name: PRONGHORN AAP FED. #1
Project Location: SEC. 8-23S-33E

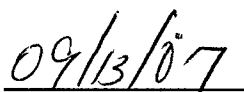
Sampling Date: 09/07/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: HM
Analyzed By: CK

LAB NUMBER	SAMPLE ID	BENZENE (mg/L)	TOLUENE (mg/L)	ETHYL BENZENE (mg/L)	TOTAL XYLENES (mg/L)
ANALYSIS DATE		09/11/07	09/11/07	09/11/07	09/11/07
H13276-1	A #1 IMPACTED AREA ON LOCATION SURFACE SAMPLE	<0.001	<0.001	<0.001	<0.003
H13276-2	B #2 IMPACTED AREA OFF LOCATION SURFACE SAMPLE	<0.001	<0.001	<0.001	<0.003
Quality Control		0.109	0.099	0.099	0.300
True Value QC		0.100	0.100	0.100	0.300
% Recovery		109	99.0	98.6	100
Relative Percent Difference		2.8	0.7	0.3	0.4

METHOD: EPA SW-846 8021B



Chemist



Date

H13276 YATES

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CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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ANALYTICAL RESULTS FOR
YATES PETROLEUM CORPORATION
ATTN: MIKE STUBBLEFIELD
105 SOUTH 4TH STREET
ARTESIA, NM 88210
FAX TO: (505) 748-4635

Receiving Date: 09/10/07

Reporting Date: 09/13/07

Project Number: 505-PROG.

Project Name: PRONGHORN AAP FED. #1

Project Location: SEC. 8-23S-33E

Sampling Date: 09/07/07

Sample Type: SOIL

Sample Condition: COOL & INTACT

Sample Received By: HM

Analyzed By: KS

LAB NUMBER SAMPLE ID Cl*
(mg/Kg)

ANALYSIS DATE		09/11/07
H13276-1	A #1 IMPACTED AREA ON LOCATION	5358
	SURFACE SAMPLE	
H13276-2	B #2 IMPACTED AREA OFF LOCATION	<16
	SURFACE SAMPLE	
H13276-3	C #3 IMPACTED AREA ON LOCATION	48
	3' DEPTH	
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		2.0

METHODS: Std. Methods 4500-Cl⁻B

*Analyses performed on 1:4 w:v aqueous extracts.

Chemist

Date

H13276CL YATES

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CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603

(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: <u>Vates Petroleum Corporation</u>				BILL TO				ANALYSIS REQUEST																		
Project Manager: <u>Mike Stubblefield</u>				P.O. #:																						
Address: <u>105 South 4th Street</u>				Company: <u>YPC</u>																						
City: <u>Artesia</u> State: <u>NM</u> Zip: <u>88210</u>				Attn: <u>Mike Stubblefield</u>																						
Phone #: <u>505-748-4500</u> Fax #: <u>505-748-4635</u>				Address: <u>105 South 4th Street</u>																						
Project #: <u>505-Prop.</u> Project Owner: <u>Mike Stubblefield</u>				City: <u>Artesia</u>																						
Project Name: <u>Pronghorn AAP Fed. #1</u>				State: <u>NM</u> Zip: <u>88210</u>																						
Project Location: <u>sec. 8-235-33e</u>				Phone #: <u>505-748-4500</u>																						
Sampler Name: <u>Mike Stubblefield</u>				Fax #: <u>505-748-4635</u>																						
FOR LAB USE ONLY				MATRIX		PRESERV.		SAMPLING		chlorides																
Lab I.D.	Sample I.D.	(G)FAB OR (C)OMP	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER													ACID/BASE	ICE / COOL	OTHER	DATE	TIME
H13276-1	A #1 Impacted Area on Location surface sample	C				✓																	✓		9/2/07	10:00am
H13276-2	B #2 Impacted Area off Location surface sample.	C				✓																	✓		9/7/07	10:15am
H13276-3	C #3 Impacted Area on Location 3' depth	G				✓																	✓		9/7/07	11:00am

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Relinquished By: <u>Mike Stubblefield</u>		Date: <u>9/10/2007</u>		Received By:		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No		Add'l Phone #:	
		Time: <u>6:00 PM</u>				Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No		Add'l Fax #:	
Relinquished By:		Date: <u>09/11/07</u>		Received By:		REMARKS:			
		Time: <u>8:55</u>		<u>Hope I. Moreno</u>					
Delivered By: (Circle One)									
Sampler - UPS - <input checked="" type="radio"/> Bus - Other:		Sample Condition		CHECKED BY:					
		Cool Intact		(Initials)					
		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<u>ikw</u>					
		<input type="checkbox"/> No <input type="checkbox"/> No							

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