

MARTIN YATES, III  
1912-1985

FRANK W. YATES  
1936-1986

S.P. YATES  
1914-2008



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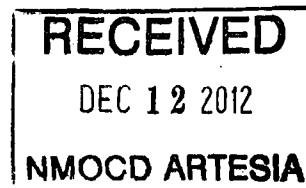
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CHIEF ADMINISTRATIVE OFFICER

December 12, 2012

Mr. Mike Bratcher  
Oil Conservation Division  
811 S. First St.  
Artesia, NM 88210

RE: Nancy ALH Federal Com #1H  
30-015-40127  
Section 24, T21S-R31E  
Eddy County, New Mexico



Mr. Bratcher,

Yates Petroleum Corporation would like to submit this document as a Work Plan for closure of the above captioned well and the C-141 Initial report submitted 12/12/12.

The release was due to a rejected load by an oil hauler that was pumped back into a production tank causing it to overflow. All oil was contained within a lined berm, vacuum truck was dispatched to recover standing fluid, and producing well was shut in at time of incident. The area impacted measured approximately 10' X 50'. The total volume of oil released was 40 bbls with 20 bbls of fluid recovered.

The lined area was constructed with a layer of base course and pea gravel which was heavily entrained with oil, thus accounting for the remaining 20 bbls. All impacted base course and gravel was removed and hauled to a NMOCD approved site for disposal. The impacted area was steam cleaned and the liner was inspected closely for the possibility of tears or worn areas. The liner showed no signs of a breach in its integrity. It was then covered with fresh gravel to prevent any future compromise of the liner.

If there are no objections, Yates Petroleum Corporation will submit a C-141 Final for closure. If you have any questions please feel free to contact me at (575) 748-4350.

Thank You,

Lupe Carrasco  
Environmental Regulatory Agent  
Yates Petroleum Corporation

KATHY H. PORTER  
SECRETARY

DENNIS G. KINSEY  
TREASURER