

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

30-015-33428

## Release Notification and Corrective Action

NMLB0615952053

## OPERATOR

☒ Initial Report ☐ Final Report

Name of Company YATES PETROLEUM CORPORATION	OGRID Number 25575	Contact ROBERT ASHER
Address 104 S. 4 <sup>TH</sup> STREET	Telephone No. 505-748-1471	
Facility Name DAZED BDZ FEDERAL COM. 2	API Number 30-015-33428	Facility Type WELL

Surface Owner FEDERAL	Mineral Owner FEDERAL	Lease No. NM-0230377-B
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## LOCATION OF RELEASE

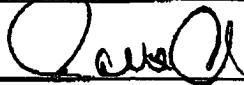

Unit Letter E	Section 3	Township 21S	Range 24E	Feet from the 3400	North/South Line SOUTH	Feet from the 660	East/West Line WEST	County BDDY
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Latitude 32.51079 Longitude 104.49284

## NATURE OF RELEASE

Type of Release CONDENSATE & PRODUCED WATER	Volumes of Release 5 B/O and 5 B/W	Volume Recovered 0 B/O & 0 B/W
Source of Release WATER TANK	Date and Hour of Occurrence 4/3/2006 PM	Date and Hour of Discovery 4/3/2006 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. N/A		
Describe Cause of Problem and Remedial Action Taken. WELL UNLOADED MORE WATER THAN NORMAL, CAUSING WATER TANK TO OVERFLOW. A SECOND TANK WILL BE INSTALLED.		
Describe Area Affected and Cleanup Action Taken. AN APPROXIMATE AREA OF 105 SQ. FT. (5' X 35') INSIDE THE BERMED AREA WITH SMALL AMOUNT (1-2 BBLs) SOAKING OUTSIDE THROUGH THE BERM. IMPACTED SOIL DUG OUT AND PLACED ON PLASTIC. AREA WILL BE ASSESSED AND APPROPRIATE ACTION WILL BE TAKEN. 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: 	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by District Supervisor: TIM GUM by MB 	
Title: Environmental Regulatory Agent	Approval Date: 6/8/06	Expiration Date:
E-mail Address: boba@ypcam.com	Conditions of Approval:	Attached <input checked="" type="checkbox"/>
Date: April 10, 2006	Phone: 505-748-1471	

\* Attach Additional Sheets If Necessary

**Spill Summary and Work Plan****Incident Date:** April 3, 2006**Location:** Dazed BDZ Federal Corn. #2  
Unit E, Section 3, T21S-R24E  
Eddy County, New Mexico

30-015-33428

The well is located approximately 18 miles south of Artesia, NM on White Pine Road, approximately 6.5 miles west of U.S. Highway 285, as depicted on the attached Seven Rivers, NM, USGS Quadrangle Map. The site lies on the edge of a southeastern sloping ridge rising approximately 300 feet.

Watercourses in the area are dry except for infrequent flows in response to major precipitation events. Area surface geology is Permian. The area, dry at the time of the spill, consists of soil that consists of caliche 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 175 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 area is the site of a producing well. The well unloaded more water than normal causing the water tank to overflow, spilling an estimated five (5) barrels of condensate and five (5) barrels of produced water. The affected area was approximately five (5) feet wide by thirty-five (35) feet long.

**Action Taken:**

Immediately upon discovery, the impacted area was excavated and all of the contaminated soil was placed on plastic on location. An on-site assessment of the area will be conducted.

**Closure Plan:**

Due to the quick response of Yates personnel, the presence of low permeability sediments (clay, silt) and the site ranking of zero (0), we do not believe that this spill will have a significant impact. Yates proposes that no additional actions are necessary and requests NMOCD approval to close the site.

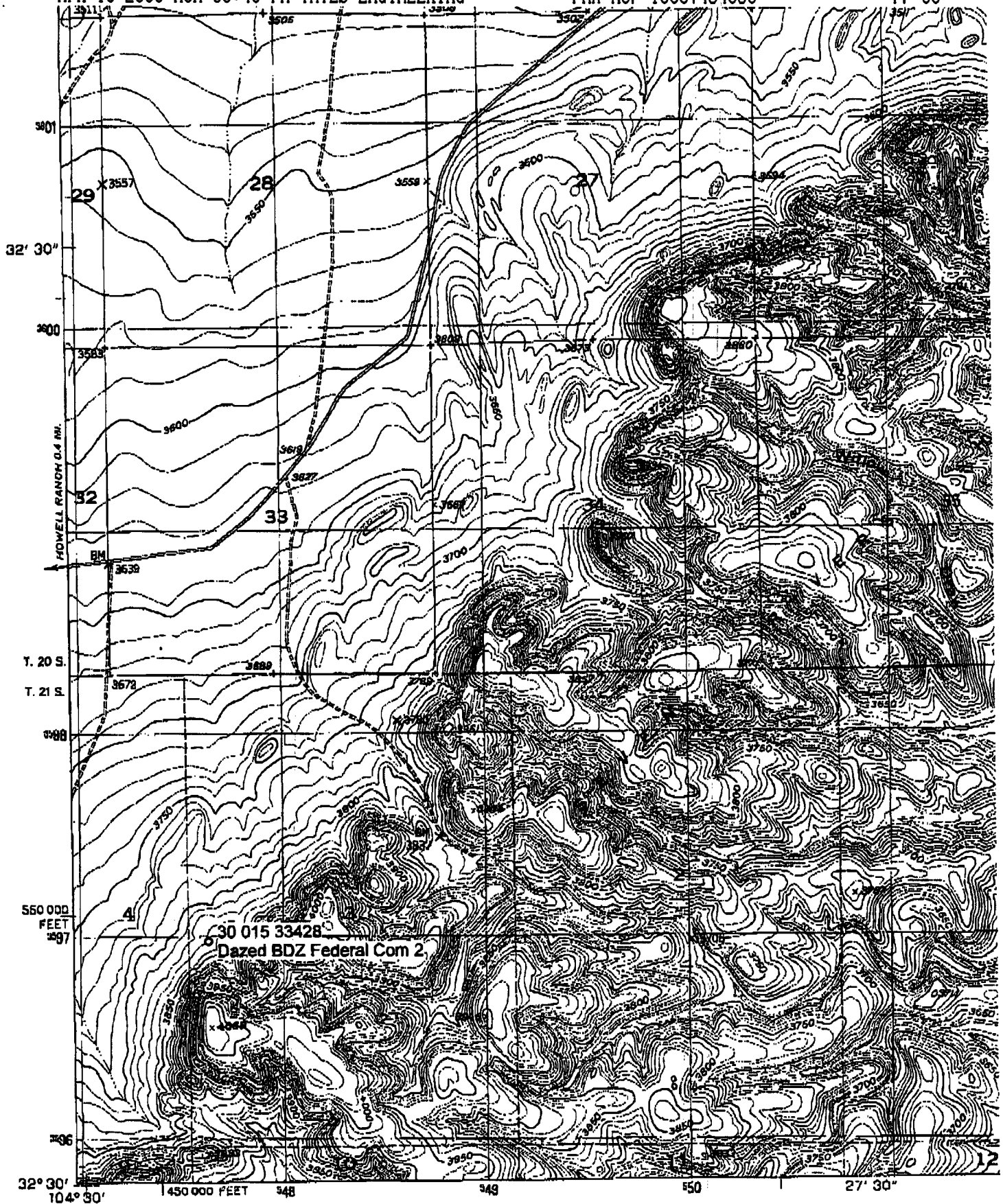
If you have questions or need additional information, please contact me at 505-748-1471

Thank you.

YATES PETROLEUM CORPORATION

Robert Asher

Enclosure(s)  
/rca



Mapped, edited, and published by the Geological Survey

Control by USGS and USC&amp;GS

Topography from aerial photographs by multiplex methods  
 Seven Rivers; NM Scale: 1" = 0.379MI 610M 2,000ft, 1 Mi = 2,640', 1 cm = 240M

30-015-33428





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

Yates Petroleum Corporation  
105 S. 4<sup>th</sup> Street  
Artesia, NM 88210  
ATTN: Environmental Department

June 8, 2006

Reference: Dazed BDZ Federal Com 002 E-3-21s-24e API: 30-015-33428

Operator,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of an Initial Report Form C-141 reporting a release of produced fluids that occurred at the above referenced well site on 4/3/2006. A document titled "Spill Summary and Work Plan" (plan) was also submitted with the C-141. The plan states, "Immediately upon discovery, impacted area was excavated and contaminated soils were placed on plastic on location. An on-site assessment of the area will be conducted." The plan ranks the site at 0 points and proposes no additional actions required and requests NMOCD approval to close site.

Depth to ground water trend map data shows this site to be in an area with the possibility of ground water occurring at depths of 50' - 75'. Please provide the following information for consideration in closing the site:

- What is the current disposition of the excavated contaminated materials.
- Were there any sample analysis performed at this site and if so, please provide that documentation.

Please provide this information no later than June 22, 2006.

Sincerely,

Mike Bratcher  
NMOCD District 2  
1301 W. Grand Ave.  
Artesia, NM 88210  
(505) 748-1283 Ext. 108  
(505) 626-0857  
[Mike.Bratcher@state.nm.us](mailto:Mike.Bratcher@state.nm.us)