

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. 4th Street Artesia, NM 88210 ATTN: Environmental Department June 19, 2006

Reference: Routh NU 001 A-14-19s-24e API: 30-015-23305 Produced fluids release site situated south and east of this well site.

Operator,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of a document submitted by Yates Petroleum Corporation (Yates) dated June 14, 2006. The document includes an Analytical Report from Environmental Lab of Texas reporting analyses of samples obtained from the site May 24, 2006. The document includes a form C-141 marked Final Report (dated 6/7/05 and signed by Dan Dolan) and requests OCD approval for closure of this site.

At this time, OCD cannot approve closure of this site and believes further delineation of contaminants and possible further remediation is necessary. The sample analyses in the Analytical Report and Field Head Space tests performed in the field are conflicting and represent only one spot in a large release area. Yates has suggested performing delineation sampling in a grid pattern in the release area and the OCD believes this type delineation is will be necessary.

Please submit an alternate proposal for this site or schedule to obtain delineation samples no later than July 10, 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

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

* Attach Additional Sheets If Necessary

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-14 Revised October 10, 200

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on backside of form

30-015-23305 Release Notification and Corrective Action													
		-		OPERA'	TOR		_ Initi	al Report	\boxtimes	Final Rep			
Name of Company Yates Petroleum Corp.						Contact Dan Dolan							
Address 105 S. 4th St., Artesia NM 88210						Telephone No. 748-4181							
Facility Name Routh SWD						Facility Type Dagger Draw Water Line							
Surface Ov	vner Howe	ell Ranch)wner	Fed Lease No.									
	•			LOCA	ATIO	N OF RE	LEASE						
Unit Letter						h/South Line Feet from the East/West I			st Line				
1	13	198	24E .				!			Eddy			
LatitudeLongitude													
NATURE OF RELEASE													
		ed Water Line		Volume of Release 3500bbl Volume Recovered 60bbl									
Source of Release Was Immediate Notice Given?						Date and Hour of Occurrence 5-30-65 Date and Hour of Discovery 6-30-65-65							
was immediate Notice Given? Yes No Not Require						If YES, To Whom? Mike Bratcher, Artesia OCD							
By Whom? Dan Dolan						Date and Hour 06-69-05 1300hrs							
Was a Watercourse Reached? Yes No						If YES, Volume Impacting the Watercourse.							
If a Watercourse was Impacted, Describe Fully.*													
Describe Cause of Problem and Remedial Action Taken.* A 8" produced water line ruptured, causing 3500bbl water to leak on pasture, the free water was picked up, the soil was removed and replaced with fresh,													
Describe Are	a Affected	and Cleanup A	Action Tak	en.*									
							and the soil that						
		tested and ren -0, surface wa		s needed, and the	n used fo	or Berms in th	e area, the rankin	ig for this	area is, L	epth to grou	nd wate	er-0,	
weinious pro		o, surface wa											
	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												
should their of	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,	of local lay	vs and/or regul	nations.										
				OIL CONS	SERVA	TION	DIVISIO	N					
Signature	5/1	n	-			MER	MP	7					
Printed Name	y Don Dol	05],	Approved by District Supervisor DENIED 6/19/06									
Timed Ivain	. Dan Du	an					·	T		,			
Title: Enviro	Title: Environmental Regulatory Agent						2:	Ex	oiration I	Date:			
E-mail Address: ddolan@ypcnm.com						Conditions of Approval:				Attached			
Date: 06-07-	05	Phone											

