

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

API# 30-015-26258  
nLLB0431955048

Release Notification and Corrective Action

10/79 OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	HARVEY E. YATES COMPANY	Contact	KEITH CANNON or JEN ATKINSON
Address	PO BOX 1933, ROSWELL NM 88201	Telephone No.	505-623-6601
Facility Name	ARCO 5 FEDERAL #2	Facility Type	TANK BATTERY
Surface Owner	Mineral Owner	BLM	Lease No. NM-91308

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	05	18S	31E	1,980	SOUTH	1,980	WEST	EDDY

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

NATURE OF RELEASE

Type of Release	Oil spill	Volume of Release	90 bbls	Volume Recovered	7 bbls
Source of Release	1/4" valve on circulating pump	Date/Hr Occurrence	8/31/06	Date/Hr Discovery	9/1/06 9:15 am
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bratcher, Artesia OCD // and // Terry Graston, Carlsbad BLM		
By Whom?	Keith Cannon, Drlg Supt.	Date and Hour	9/1/2006 approx. 2:45 pm		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	No watercourse affected.		

If a Watercourse was Impacted, Describe Fully.\*

n/a

Describe Cause of Problem and Remedial Action Taken.\*

A cow had kicked open the 1/4" bleeder valve on the circulating pump, allowing discharge of oil.

Describe Area Affected and Cleanup Action Taken.\*

Area affected - Approx 87 bbls spilled off location into the grass, mesquite and scrub. The oil soaked into the ground.  
Cleanup action taken - Closed 1/4" valve. We are going to break up the ground on the affected area and spray with 3% microblaze.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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: <i>Jen Serrano</i>		OIL CONSERVATION DIVISION	
Printed Name: Jen Serrano		Approved by District Supervisor: TIM GUM by MB <i>Mike Bratcher</i>	
Title: Engineering Tech	Approval Date: 4/9/07	Expiration Date:	
E-mail Address: jserrano@heycoenergy.com	Conditions of Approval:	Attached <input checked="" type="checkbox"/>	
Date: 9/01/2006	Phone: (505)623-6601		

\* Attach Additional Sheets If Necessary



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

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

Director

**Oil Conservation Division**

Harvey E. Yates Company  
P.O. Box 1933  
Roswell, NM 88201  
ATTN: Environmental Department

April 9, 2007

Reference: Arco 5 Federal #2 05-18S-31E API # 30-015-26258 Eddy County, New Mexico

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 on or about August 31, 2006 at the above referenced well site. Please submit a work plan proposal (plan) for remediation, removal and/or clean up of contaminants that may be present at this site. The plan is to be formulated based on vertical and horizontal delineation of contamination, site ranking, and OCD Rules and Guidelines.

A publication outlining OCD guidelines and requirements for site ranking and spill remediation can be found on the OCD website as follows: <http://www.emnrd.state.nm.us/ocd> Click on each of the following items as they appear:

- Publications
- Environmental Handbook
- Miscellaneous Guidelines
- Remediation of Leaks, Spills and Releases

Please submit this plan to the OCD District 2 office no later than May 9, 2007. Please include any remedial or clean up actions that have already been performed.

Remediation requirements may be subject to other federal, state, local laws and/or regulations.

If I can be of assistance in this matter, my contact information is listed below.

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)

Tracking number: nLLB0631955048

**BUREAU OF LAND MANAGEMENT**  
**WO MAJOR UNDESIRABLE EVENT (MUE) REPORTING FORMAT**

SEP - 2006  
 RECEIVED  
 OCD - ARTESIA

BLM Office Reporting:					
BLM Employee:					
Company Official Reporting to BLM:			Keith Cannon		
Operator: HARVEY E. YATES COMPANY					
Date/Time of Occurrence: 8/31/2006 overnight			Date/Time BLM Notified: 9/1/2006 14:00		
Field/Unit Name: Arco 5 Federal # 002			Lease Number: NM-91308		
State: NM	County: Eddy	Twn: 18S	Rng: 31E	Sec: 5	Qtr: SW NE
Surface Ownership: (circle one)		Federal	Indian	State	FEE
Type of Event: (circle one)		Oil Spill	Oil/Water Spill	Gas Venting	Toxic Fluid Spill
		Saltwater Spill	Other Spill (Specify)	Blowout	Fire
		Injury	Fatality	Property Damage	Explosion
Nature and Cause of Event:					
Cow kicked open the bleeder valve on 1/4" circulating pump.					
Environmental Impact:					
Appx 83 barrels spilled off the location and soaked into the ground - vegetation off location: grass, mesquite, sunflowers, scrub oak.					
Time Required to Control Event (Hours):					
Volumes Discharged or Consumed:		90 Barrels			
Volumes Recovered:		7 Barrels			
Action Taken to Control Event:					
Closed 1/4" bleeder valve on circulating pump.					
Resultant Damage:					
Spilled off location, soaked into ground.					
Clean-Up Procedures:					
Cause/Extent of Personal Injury: No personal injury.					
Agency Notification List: (Federal / State / Local):		Agency Name	Contact Name	Date / Time	
		BLM Carlsbad	Terry Graston	9/1/06 appx 2:45	
		OCD Artesia	Mike Bratcher	9/1/06 appx 2:30	
Remarks:					