

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-14
Revised October 10, 200

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

30-015-32666

Release Notification and Corrective Action

nMLB0716553869

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street	API Number 30-015-32666	Telephone No. 505-748-1471
Facility Name Gem Dandy BCG State Com. #1	Facility Type Battery	
Surface Owner Fee	Mineral Owner State	Lease No. VA-1750

LOCATION OF RELEASE

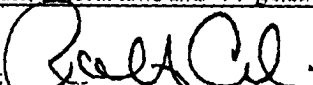
Unit Letter L	Section 35	Township 16S	Range 27E	Feet from the 1980	North/South Line South	Feet from the 660	East/West Line West	County Eddy
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Latitude 32.87691 Longitude 104.25475

NATURE OF RELEASE

Type of Release Crude Oil	Volume of Release 10 B/O	Volume Recovered 5 B/O
Source of Release Production Tank	Date and Hour of Occurrence 12/31/2006 PM	Date and Hour of Discovery 12/31/2006 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.* The well kicked causing tank to overflow. Well shut down, closed all flow line valves going to tank.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 20' X 25', inside the tank battery. Vacuum truck called to pick up standing fluids, contaminated soils excavated and taken to an OCD approved land disposal facility. Area to be evaluated and a work plan submitted. Depth to Ground Water: < 50', Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 20.		
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:



Printed Name: Robert Asher

Title: Environmental Regulatory Agent

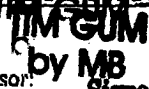
E-mail Address: boba@ypcnm.com

Date: Monday, January 15, 2007

Phone: 505-748-1471

OIL CONSERVATION DIVISION

Approved by District Supervisor:



Approval Date: JUN 14 2007

Expiration Date:

Conditions of Approval:

Remediation per work plan approval 6/14/07

Attached ☐

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S.P. YATES
CHAIRMAN EMERITUS

JOHN A. YATES
CHAIRMAN OF THE BOARD

PEYTON YATES
PRESIDENT

FRANK YATES, JR.
EXECUTIVE VICE PRESIDENT

JOHN A. YATES, JR.
SENIOR VICE PRESIDENT

May 18, 2007



Mr. Mike Bratcher
NMOCD District II
1301 West Grand
Artesia, NM 88210

Re: Gem Dandy BCG State Com. #1
30-015-32666
Section 35, T16S-R27E
Eddy County, New Mexico

Dear Mr. Bratcher:

Yates Petroleum Corporation would like to submit for your consideration the enclosed work plan for the above captioned well. The plan is being submitted in response to the C-141 dated January 12, 2007. Scope of work described in the plan will be conducted as soon as the work plan is approved.

If you have any questions call me at (505) 748-4217.

Thank you.

YATES PETROLEUM CORPROATION

Robert Asher
Environmental Regulatory Agent

Enclosure(s)

Yates Petroleum Corporation

Gem Dandy BCG State Com. #1 Work Plan

Section 35, T16S-R27E

Eddy County, New Mexico

May 18, 2007

I. Location

The well is located approximately 9 miles east-northeast of Artesia, NM north of U.S. Highway 82, as represented by the attached Artesia NE, NM, USGS Quadrangle Map.

II. Background

On January 15, 2007, Yates Petroleum Corporation submitted a C-141 for a release of 10 barrels of crude oil; the well kicked and caused the production tank to overflow. The affected area is approximately 20 feet by 25 feet, all contained within the bermed area of the battery. A vacuum truck was called and 5 barrels of fluid recovered.

III. Surface and Ground Water

Area surface geology is Paleozoic. The nearest groundwater of record is listed on the Eddy County Depth to Ground Water Map shows depth to groundwater approximately 35 feet (Section 35, T16S-R27E) making the site ranking for this site a twenty (20). Watercourses in the area are dry except for infrequent flows in response to major precipitation events; approximately 1,200' to the north of the location is an intermittent perennial arroyo.

The ranking for this site is twenty (20) based on the as following:

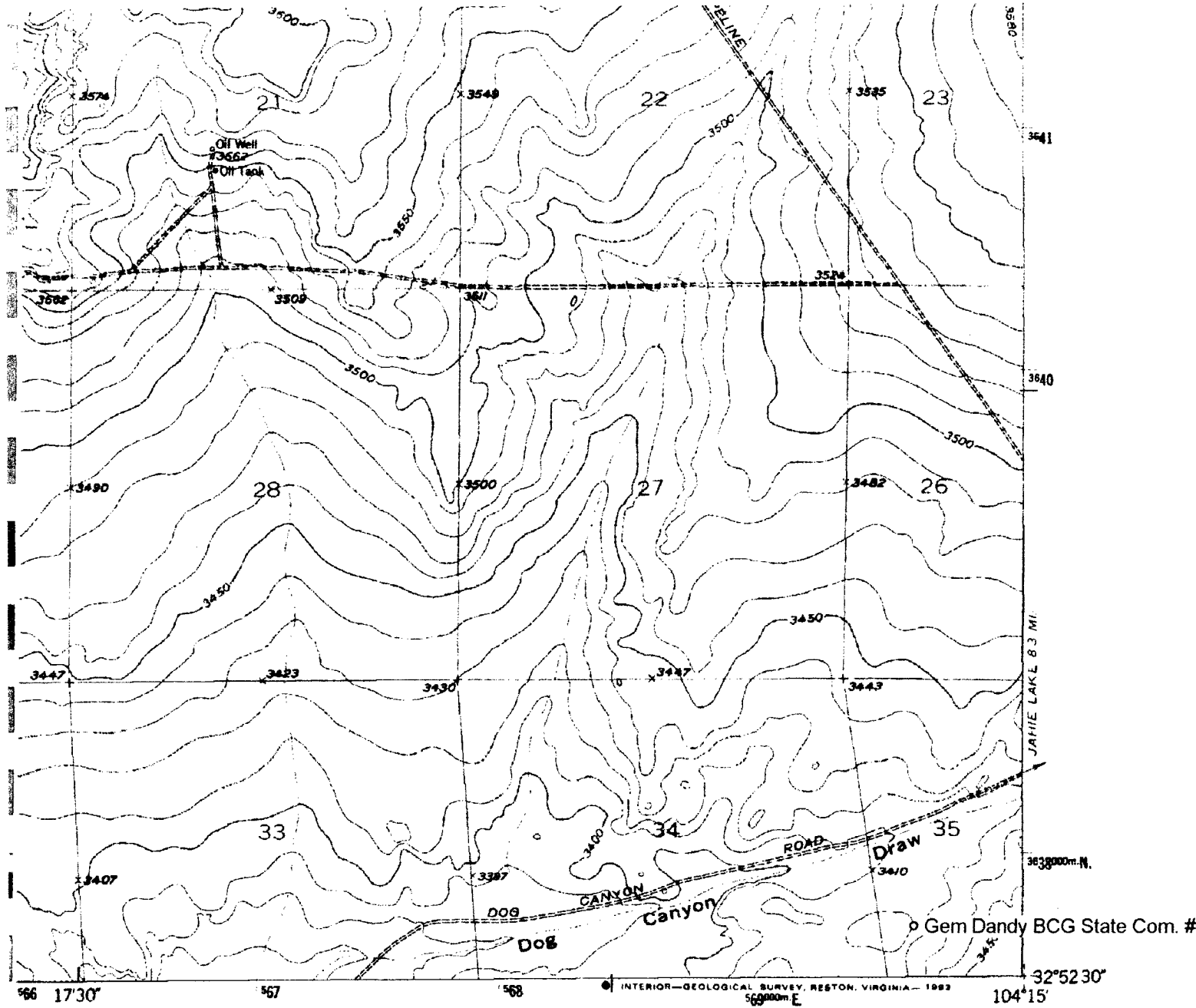
Depth to ground water	< 50'
Wellhead Protection Area	> 1000'
Distance to surface water body	> 1000'

IV. Soils

The area consists of soils that are sand/caliche and interspersed with clay seams providing a low permeability barrier to retard vertical percolation of contaminants into the subsurface.

V. Scope of Work

Yates Petroleum Corporation has excavated contaminated soils contacted by release. Contaminated material has been removed and taken to an OCD approved land facility. Yates will take soil samples within the effected area to determine vertical and horizontal delineation. These samples will be analyzed for BTEX and TPH. Based on the Total Ranking Score of twenty (20), RRAL's for BTEX is 50 ppm and TPH is 100 ppm. If results are above OCD guidelines, then further remediation (excavation work) will be implemented to attain the acceptable limits. If lab analysis reflects closure levels then Yates will contact the Oil Conservation Division to give opportunity to witness a final sampling event. A final C-141 and attached analytical results will be submitted to the OCD requesting closure. After closure approval clean soils will be brought in to replace excavated soils.



41LE



ROAD CLASSIFICATION

- | | | | |
|-------------|-------|-----------------|-------|
| Heavy-duty | ————— | Light-duty | ————— |
| Medium-duty | ————— | Unimproved dirt | ----- |
| U. S. Route | | State Route | |

ARTESIA NE, N. MEX.
32104-H3-TF-024

1955

DMA 5149 IV NE-SERIES V881

Bratcher, Mike, EMNRD

From: Bratcher, Mike, EMNRD
Sent: Thursday, June 14, 2007 11:17 AM
To: 'Bob Asher'
Cc: Jerry Fanning
Subject: RE: Work Plan

Bob,

The remediation proposal presented for clean up of a release of produced fluids that occurred at the referenced well site on 12/31/06 is approved. Please notify the OCD District 2 office 24 hours prior to obtaining confirmation samples. Submit a closure report and C-141 Final Report upon satisfactory completion of project. Project is to be completed and closure documentation filed no later than August 14, 2007.

This approval does not relieve Yates Petroleum Corporation (Yates) of liability should their operations have failed to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, approval does not relieve Yates for compliance with any other federal, state, local laws and/or regulations.

Sincerely,

Mike Bratcher
NMOCD District 2
1301 W. Grand Ave.
Artesia, NM 8810
505-748-1283 Ext. 108
505-626-0857
mke.bratcher@state.nm.us

From: Bob Asher [mailto:boba@YPCNM.COM]
Sent: Wednesday, June 13, 2007 3:57 PM
To: Bratcher, Mike, EMNRD
Cc: Jerry Fanning
Subject: Work Plan

Mike,

Per our telephone conversation this afternoon, Yates requests verbal approval of the May 18, 2007 work plan for the following location.

Gem Dandy BCG State Com. #1
30-015-32666
Section 35, T16S-R27E
Eddy County, New Mexico

Thank you.

Robert Asher

6/14/2007

Yates Petroleum Corporation
505-748-4217 (Office)
505-748-4662 (Fax)
505-365-4021 (Cell)

This inbound email has been scanned by the MessageLabs Email Security System.

6/14/2007