

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

Release Notification and Corrective Action

n MLB0622838020

OPERATOR

☐ Initial Report ☒ Final Report

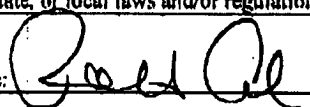

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street, Artesia, NM 88210		Telephone No. 505-748-1471
Facility Name Jackson Estate BY #4	API Number 30-015-20482	Facility Type Well
Surface Owner Fee	Mineral Owner Fee	Lease No. Fee

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
E	22	17S	25E	2310	North	990	West	Eddy

Latitude 32.82177 Longitude 104.47797

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release Unknown B/O & B/W	Volume Recovered 0 B/O & 0 B/W
Source of Release Flow line rupture	Date and Hour of Occurrence 4/15/2006 AM	Date and Hour of Discovery 4/15/2006 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.* Flow line ruptured leaking an unknown amount of oil and water onto the ground. Valve at well and flow line junction closed. Impacted soil to be excavated, placed on plastic and burned.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 20' X 20', 150' south of the well head. No standing fluid to recover. Area to be evaluated and work plan submitted. Depth to Ground Water: >100', Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 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: <u>10/20/06</u>	Expiration Date: <u>N/A</u>
E-mail Address: boba@ypcnm.com	Conditions of Approval: <u>N/A</u>	Attached <input type="checkbox"/>
Date: Thursday, October 19, 2006	Phone: 505-748-1471	

* Attach Additional Sheets If Necessary

MARTIN YATES, III
1912-1988

FRANK W. YATES
1934-1988



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

G.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

October 19, 2006

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

RE: Jackson Estate BY #4
30-015-20482
Section 22, T17S-R25E
Eddy County, New Mexico

Dear Mr. Bratcher,

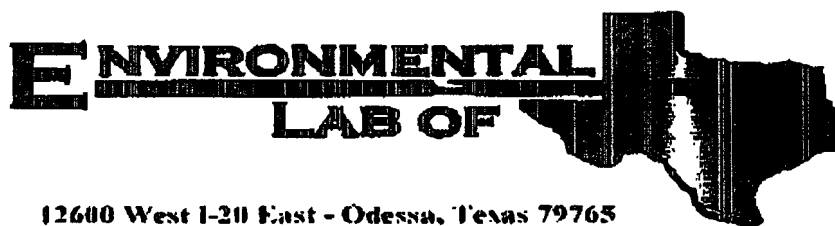
Enclosed please find a Form C-141, Final Report for the above captioned site regarding the release on April 15, 2006. Per the Work Plan (dated August 21, 2006) submitted to the OCD, the following work has been completed. All contaminated soils have been excavated and hauled to an OCD approved land facility, field soil vapor headspace measurements were taken to assure RRAL's were below 100 ppm. A sampling event was requested and samples were taken on October 12, 2006. Samples were sent to an OCD approved laboratory for analysis. Based on the analytical reports (Chloride results are for reference purposes only), no further remediation will be conducted at this site and Yates Petroleum Corporation requests closure.

Thank you.

YATES PETROLEUM CORPORATION

Robert Asher
Environmental Regulatory Agent

Enclosure(s)
/rca.



Analytical Report

Prepared for:

Robert Asher

Yates Petroleum Corp.

105 S. Fourth St.

Artesia, NM 88210

Project: Jackson Estate BY #4

Project Number: 30-015-20482

Location: Eddy County, NM

Lab Order Number: 6J13005

Report Date: 10/18/06

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Jackson Estate BY #4
Project Number: 30-015-20482
Project Manager: Robert Asher

Fax: (505) 748-4662

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
GS/8.0-001	6J13005-01	Soil	10/12/06 10:14	10-13-2006 09:48
GS/11.0-002	6J13005-02	Soil	10/12/06 10:30	10-13-2006 09:48
GS/17.0-003	6J13005-03	Soil	10/12/06 10:35	10-13-2006 09:48
GS/8.0-004	6J13005-04	Soil	10/12/06 10:45	10-13-2006 09:48
GS/8.0-005	6J13005-05	Soil	10/12/06 10:50	10-13-2006 09:48

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Jackson Estate BY #4
Project Number: 30-015-20482
Project Manager: Robert Asher

Fax: (305) 748-4662

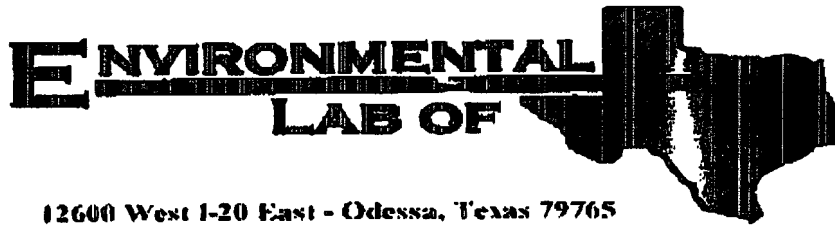
Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
GS/8.0-001 (6J13005-01) Soil									
Benzene	ND	0.0250	mg/kg dry	25	J061406	10/14/06	10/15/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		84.2 %	80-120		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		84.0 %	80-120		"	"	"	"	
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	J061501	10/15/06	10/15/06	EPA 8015B	
Carbon Ranges >C10-C28	ND	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		125 %	70-130		"	"	"	"	
Surrogate: 1-Chlorodecane		114 %	70-130		"	"	"	"	
GS/11.0-003 (6J13005-02) Soil									
Benzene	ND	0.0250	mg/kg dry	25	J061406	10/14/06	10/14/06	EPA 8021B	
Toluene	J (0.0244)	0.0250	"	"	"	"	"	"	1
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	0.0276	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		89.0 %	80-120		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		85.2 %	80-120		"	"	"	"	
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	J061501	10/15/06	10/15/06	EPA 8015B	
Carbon Ranges >C10-C28	ND	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		127 %	70-130		"	"	"	"	
Surrogate: 1-Chlorodecane		114 %	70-130		"	"	"	"	
GS/17.0-003 (6J13005-03) Soil									
Benzene	ND	0.0250	mg/kg dry	25	J061406	10/14/06	10/14/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		81.5 %	80-120		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		88.2 %	80-120		"	"	"	"	
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	J061501	10/15/06	10/15/06	EPA 8015B	
Carbon Ranges >C10-C28	594	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	594	10.0	"	"	"	"	"	"	

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

Page 2 of 9



Analytical Report

Prepared for:

Robert Asher

Yates Petroleum Corp.

105 S. Fourth St.

Artesia, NM 88210

Project: Jackson Estate BY #4

Project Number: 30-015-20482

Location: Eddy County, NM

Lab Order Number: 6J13005

Report Date: 10/18/06

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Jackson Estate BY #4
Project Number: 30-015-20482
Project Manager: Robert Asher

Fax: (505) 748-4662

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
GS/8.0-001	6J13005-01	Soil	10/12/06 10:14	10-13-2006 09:48
GS/11.0-002	6J13005-02	Soil	10/12/06 10:30	10-13-2006 09:48
GS/17.0-003	6J13005-03	Soil	10/12/06 10:25	10-13-2006 09:48
GS/8.0-004	6J13005-04	Soil	10/12/06 10:45	10-13-2006 09:48
GS/8.0-005	6J13005-05	Soil	10/12/06 10:50	10-13-2006 09:48

Yates Petroleum Corp.
105 S. Fourth St.
Arlene ND, 58210

Project: Jackson Estate BY #4
Project Number: 30-015-20482
Project Manager: Robert Asher

Fax: (505) 748-4662

**General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas**

Analysis	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
GS/8.0-001 (6J13005-01) Soil									
Chloride	638	20.0	mg/kg Wet	2	BJ61409	10/14/06	10/15/06	SW 846 9253	
GS/11.0-002 (6J13005-02) Soil									
Chloride	ND	20.0	mg/kg Wet	2	BJ61409	10/14/06	10/15/06	SW 846 9253	
GS/17.0-003 (6J13005-03) Soil									
Chloride	170	20.0	mg/kg Wet	2	BJ61409	10/14/06	10/15/06	SW 846 9253	
GS/8.0-004 (6J13005-04) Soil									
Chloride	138	20.0	mg/kg Wet	2	BJ61409	10/14/06	10/15/06	SW 846 9253	
GS/8.0-005 (6J13005-05) Soil									
Chloride	1380	20.0	mg/kg Wet	2	BJ61409	10/14/06	10/15/06	SW 846 9253	

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

Page 2 of 4

30-015-20482

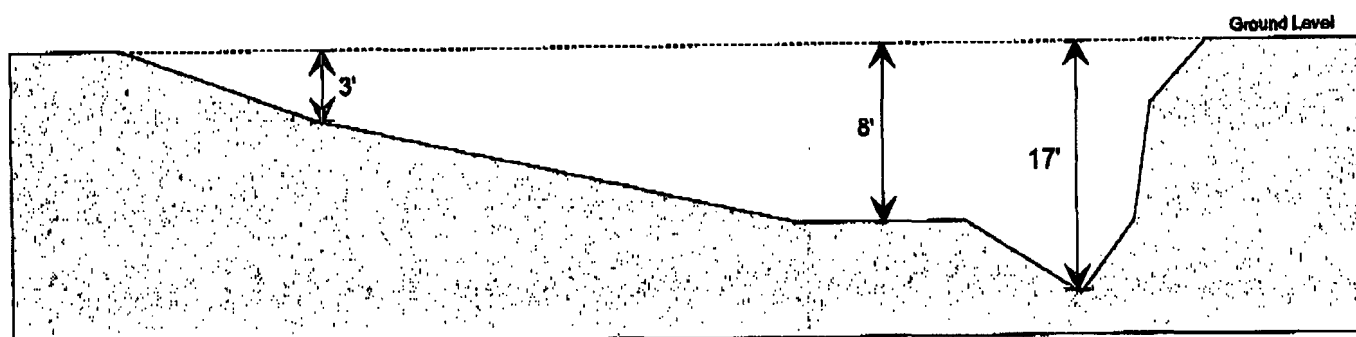
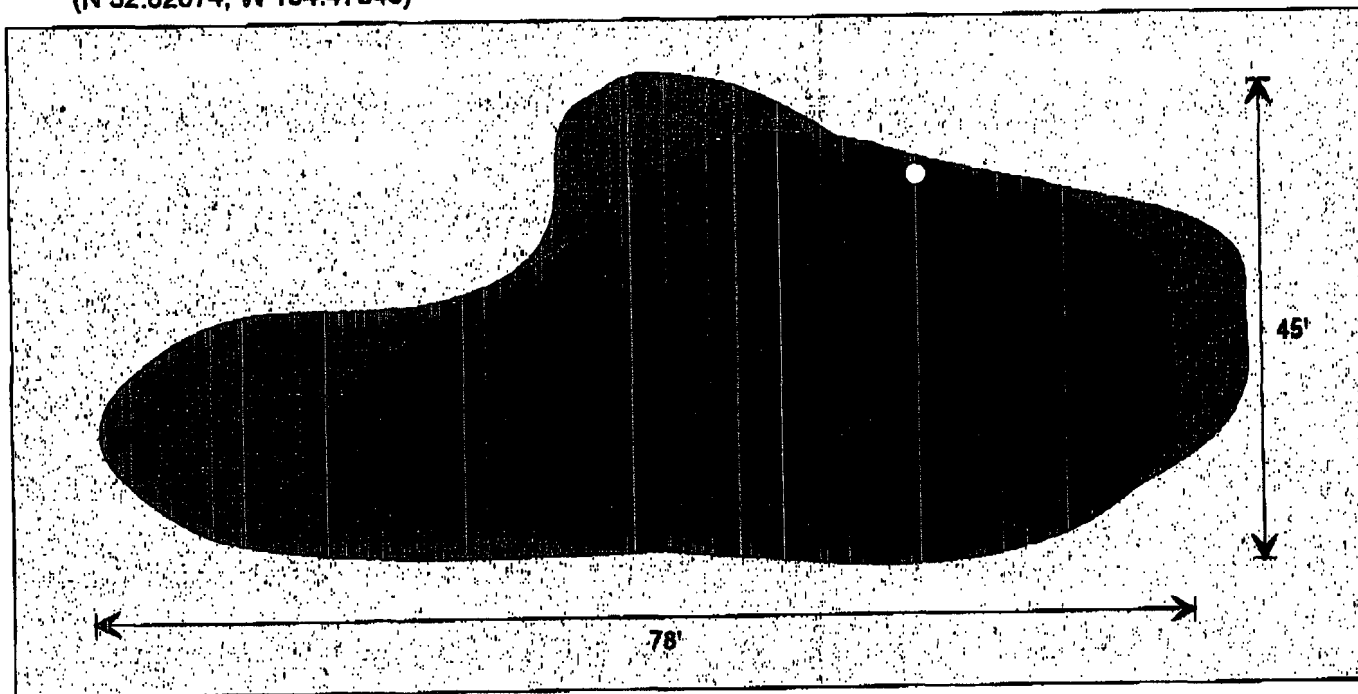
● - Sample GS/8.0-001
(N 32.82074, W 104.47843)

○ - Sample GS/11.0-002
(N 32.82080, W 104.47839)

● - Sample GS/17.0-003
(N 32.82074, W 104.47843)

● - Sample GS/8.0-004
(N 32.82083, W 104.47832)

● - Sample GS/8.0-005
(N 32.82081, W 104.47832)



Jackson Estate BY #4

Section 22, T17S-R25E

Eddy County, NM

October 12, 2006

EXHIBIT 1
Sample Diagram
(Not to Scale)

Prepared by Robert Asher
Environmental Regulatory Agent
October 12, 2006

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

August 21, 2006

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

Re: Jackson Estate BY #4
30-015-20482
Section 22, T17S-R25E
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 your letter dated August 16, 2006. Scope of work described in the plan will be scheduled as soon as approval is granted.

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

Thank you.

YATES PETROLEUM CORPROATION

Robert Asher
Environmental Regulatory Agent

Enclosure(s)

30-015-20482

Yates Petroleum Corporation

Jackson Estate BY #4

Work Plan

Section 22, T17S- R25E

August 21, 2006

I. Location

The well is located approximately 5 miles west of Artesia, NM, southwest of Gissler Road, as represented by the attached Artesia, NM, USGS Quadrangle Map.

II. Background

On April 19, 2006, Yates Petroleum Corporation submitted a C-141 for a release of unknown amounts of oil/produced water or both from a flow line rupture. The affected area is approximately 20 feet by 20 feet (150' south of the well).

III. Surface and Ground Water

Area surface geology is Cenozoic. The nearest groundwater of record is listed on the ChevronTexaco, Eddy County Depth to Groundwater Water Well Facilities Trend Map dated 2/9/2005 shows depth to groundwater approximately 175 to 200 feet making the site ranking for this site a zero (0). Watercourses in the area are dry except for infrequent flows in response to major precipitation events; approximately 100' to the north of the location is an intermittent perennial arroyo.

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'

IV. Soils

The area consists of soils that have 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 farm. A field soil vapor headspace measurement will be taken to insure the RRAL of 100 ppm is met, if measurements exceed RRAL of 100 ppm, further excavation of soils will be performed. The OCD will be contacted 24 hours before a final sampling is performed for closure. Uncontaminated soils will be brought in to replace excavated soils.