

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

30-015-26698

Release Notification and Corrective Action

n MLB0623748387

OPERATOR

☒ Initial Report ☒ Final Report

Name of Company YATES PETROLEUM CORPORATION	OGRID Number 25575	Contact SHERRY BONHAM
Address 105 S. 4 TH STREET	Telephone No. 505-748-1471	RECEIVED
Facility Name UNOCAL AHU FEDERAL 1	API Number 30-015-26698 30-015-04500	Facility Type WELL JUN - 9 2006 JUL-ARTESIA

Surface Owner FEDERAL	Mineral Owner FEDERAL	Lease No. NM-43556
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LOCATION OF RELEASE

Unit Letter B	Section 1	Township 22S	Range 31E	Feet from the 660	North/South Line NORTH	Feet from the 1980	East/West Line EAST	County EDDY
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Latitude 32.42581 Longitude 103.72889

NATURE OF RELEASE

Type of Release CRUDE OIL AND PRODUCED WATER	Volume of Release 3 B/O 6 B/PW	Volume Recovered 1 B/O 2 B/PW
Source of Release FLOW LINE	Date and Hour of Occurrence 5/29/06 AM	Date and Hour of Discovery 5/29/06 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.* RELEASE CAUSED BY FLOW LINE LEAK. SHUT WELL IN. REPAIRED LINE.		
Describe Area Affected and Cleanup Action Taken.* AN APPROXIMATE AREA OF 30' X 50' X 1" ON PAD IMPACTED. VISUAL CONTAMINATES OF RELEASE AREA WERE EXCAVATED AND HAULED TO AN OCD APPROVED WASTE FACILITY. CLEAN MATERIAL WAS BROUGHT IN TO REPLACE EXCAVATED MATERIALS. SITE RANKING: 0 FINAL REPORT		

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: <i>Sherry Bonham</i>		OIL CONSERVATION DIVISION	
Printed Name: Sherry Bonham		Approved by District Supervisor TIM GUM by MB <i>[Signature]</i>	
Title: Environmental Regulatory Agent Trainee		Approval Date: <i>8/16/06</i>	Expiration Date: <i>N/A</i>
E-mail Address: sherryb@ypcnm.com		Conditions of Approval: <i>N/A</i>	Attached <input type="checkbox"/>
Date: Monday, June 05, 2006		Phone: 505-748-1471	

* Attach Additional Sheets If Necessary