

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

NMLB 1125151291

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Amber Cannon
Address 105 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Graham AKB State #8	API Number 30-015-31913	Facility Type Well

Surface Owner State	Mineral Owner State	Lease No. V-2705
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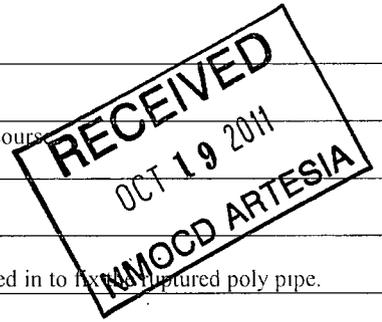
LOCATION OF RELEASE

Unit Letter E	Section 2	Township 22S	Range 31E	Feet from the 1650	North/South Line North	Feet from the 330	East/West Line West	County Eddy
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Latitude 32.42303 Longitude 103.75557

NATURE OF RELEASE

Type of Release Produced Water / Crude Oil	Volume of Release 42 B/PW; 6 B/O	Volume Recovered 0 B/PW, 0 B/O
Source of Release Poly flowline	Date and Hour of Occurrence 8/7/2011; PM	Date and Hour of Discovery 8/7/2011; PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD II	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 8/8/2011; PM	
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 *
A poly flowline busted. The well was shut in as well as the knockout (located at the battery). Personnel were called in to fix the busted poly pipe.

Describe Area Affected and Cleanup Action Taken *
An approximate area of 20' X 50' (spill occurred off of production pad, west of pumping unit along lease road). The poly pipe has been fixed. Heavier impacted soils were excavated and taken to an NMOCD approved facility. Vegetation within the impacted area will be sprayed with micro blaze. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). If initial analytical results for TPH & BTEX are under RRAL's (site ranking is 0) a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL a work plan will be submitted to the OCD. **Depth to Ground Water: >100' (125', Section 2, T22S-R31E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 0. Based on impacted soils being excavated and hauled to a NMOCD approved facility, analytical results, release volume, and site ranking of 0, Yates Petroleum Requests Closure.**

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>Amber Cannon</i>	OIL CONSERVATION DIVISION	
Printed Name: Amber Cannon	Approved by District Supervisor <i>Mike Bratcher</i>	
Title: Environmental Regulatory Agent	Approval Date: OCT 19 2011	Expiration Date: <i>N/A</i>
E-mail Address: <i>acannon@yatespetroleum.com</i>	Conditions of Approval: <i>N/A</i>	Attached <input type="checkbox"/>
Date: Wednesday, October 19, 2011 Phone: 575-748-4111	2RP-875	<i>Final</i>

* Attach Additional Sheets If Necessary