

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

**RECEIVED**  
**AUG 18 2010**  
**HOBBSOCD**

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

**HOBBSOCD**  
**SEP 25 2010**  
**RECEIVED**

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**

**OPERATOR**

Initial Report  Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 <sup>TH</sup> Street		Telephone No. 575-748-1471
Facility Name Van Zant BJN State Com. #1	API Number 30-025-38077	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. V-6409
------------------------	------------------------	---------------------

**LOCATION OF RELEASE**

Unit Letter B	Section 1	Township 10S	Range 32E	Feet from the .660	North/South Line North	Feet from the 2180	East/West Line East	County Lea
------------------	--------------	-----------------	--------------	-----------------------	---------------------------	-----------------------	------------------------	---------------

Latitude 33.48030 Longitude 103.62185

**NATURE OF RELEASE**

Type of Release Produced Water	Volume of Release 59 B/PW	Volume Recovered 59 B/PW
Source of Release Produced Water Tank	Date and Hour of Occurrence 8/3/2010 AM	Date and Hour of Discovery 8/3/2010 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson (e-mail), Larry Hill (voicemail)/NMOCD I	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 8/4/2010 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.\*  
Produced water tank was struck by lightning. Vacuum truck called.

Describe Area Affected and Cleanup Action Taken.\*  
An approximate area of 75' X 30'. Produced water contained within berm, battery lined with 20 mil liner. Picked up all produced water, impacted gravel was excavated, hauled to an OCD approved facility. Damaged tank and equipment removed/replaced. Depth to Ground Water: 50-99' (75' per trend map); Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS: 10. With battery being lined/bermed, released produced water contained/recovered and liner intact, Yates Petroleum Corporation 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:	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Robert Asher	Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: 9-25-10	Expiration Date: _____
E-mail Address: boba@yatespetroleum.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Wednesday, August 18, 2010 Phone: 575-748-4217	IRP- _____	IRP- 3354

\* Attach Additional Sheets If Necessary

**SEP 25 2010**  
1701426 828151  
p70 701426 829305