

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

OPERATOR Initial Report Final Report

Name of Company Yates Petroleum Corporation	Contact Mike Stubblefield
Address 105 South 4 th Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712
Facility Name Bclco "AIA" Fedral #1	Facility Type Tank Battery

Surface Owner Federal	Mineral Owner	Lease No.
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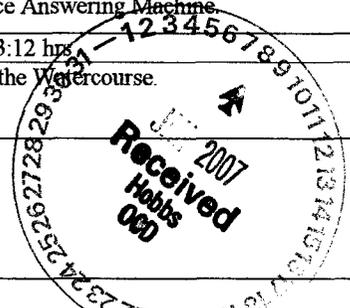
LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	14	20s	32e	330'	FSL	660'	FWL	Lea

Latitude 32.56673 Longitude 103.74277

NATURE OF RELEASE

Type of Release Produced Water & Oil	Volume of Release 3 bbls Oil & 200 bbls Prod. Wtr.	Volume Recovered 0 bbls Oil & 60 bbls Prod. Wtr.
Source of Release 6" Water line	Date and Hour of Occurrence 3/31/2006 18:00 hrs	Date and Hour of Discovery 3/31/06 18:00 hrs
Was Immediate Notice Given? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Artesia O.C.D District Office Answering Machine.	
By Whom? Jerry Fanning, Jr.	Date and Hour 4/1/2006 13:12 hrs	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	



WTR 40'

RP# 984

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
6" inch poly line carrying produced water split spraying a fine mist into the air which carried into the adjacent pasture. Line was isolated and vacuum truck called to recover standing fluids. Line was repaired and put back into service.

Describe Area Affected and Cleanup Action Taken.*
As per the approved work pan for the Bclco "AIA" Fedral #1. The impacted soils from the release were excavated to a depth of 3'. A total of 1000 cu. yds of impacted soils were hauled to Lea Land Inc. an O.C.D. approved solid waste disposal facility. The excavated area was backfilled to grade using clean soils. Analytical results for the excavated tank battery area were under the RRAL for the site.
Please grant closure for this release that occurred on 3/31/2006.
Depth to ground water < 100', Wellhead protection area > 1000', Distance to surface water body > 1000' Site ranking 20.

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>Mike Stubblefield</i>	OIL CONSERVATION DIVISION	
Printed Name: Mike Stubblefield	Approved by District Supervisor: <i>[Signature]</i>	
Title: Environmental Regulatory Agent	Approval Date: 1.12.07	Expiration Date: _____
E-mail Address: mikes@ypcnm.com	Conditions of Approval: _____	Attached <input type="checkbox"/>