

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

July 6, 2007

Mr. Chris Williams  
NMOCD District I  
1625 French Drive  
Hobbs, NM 88240

RE: 1RP-1361  
Alphabet AQR State #1  
30-025-21342  
Section 17, T21S-R34E  
Lea County, New Mexico

Dear Mr. Williams,

Enclosed please find a Form C-141, Final Report for the above captioned site regarding the release on November 15, 2004 (20 B/O with 5 B/O recovered), on the location pad. A vacuum truck picked up free oil and soils treated in place. Since the oil release occurred, the well has been plugged and abandoned (February 2, 2005) and the site released for surface restoration (March 31, 2006), also a site visit was conducted (July 2, 2007), the location pad and lease road had been ripped and there is active vegetation growth. Site ranking is zero (0), with the depth to ground water > 100' (approximately 100'). Based on the remedial and cleanup actions taken (oil recovered, soils treatment), enclosed information and that any remaining contaminants will not pose a threat to fresh water, public health and the environment in the release area, Yates Petroleum Corporation requests no further remediation and site closure.

If you have any questions, please call me at 505-748-4217.

Thank you.

YATES PETROLEUM CORPORATION

Robert Asher  
Environmental Regulatory Agent

/rca  
Enclosure(s)

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

Form C-141  
Revised October 10, 2003

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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. 505-748-1471
Facility Name Alphabet AQR State #1	API Number 30-025-21342	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VA-0452
------------------------	------------------------	----------------------

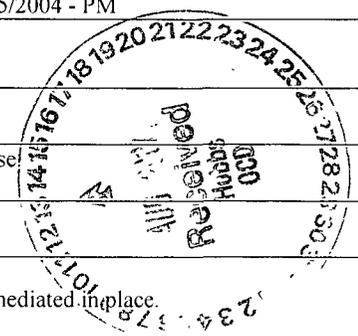
**LOCATION OF RELEASE**

Unit Letter F	Section 17	Township 21S	Range 34E	Feet from the 1980	North/South Line North	Feet from the 1980	East/West Line West	County Lea
------------------	---------------	-----------------	--------------	-----------------------	---------------------------	-----------------------	------------------------	---------------

Latitude 32.48053 Longitude 103.49373

**NATURE OF RELEASE**

Type of Release Crude Oil	Volume of Release 20 B/O	Volume Recovered 5 B/O
Source of Release Casing Valve Failure	Date and Hour of Occurrence 11/15/2004	Date and Hour of Discovery 11/15/2004 - PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? OCD Hobbs	
By Whom? Dan Dolan - Yates Petroleum Corporation	Date and Hour	
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.* Casing valve failed, causing oil to leak on location, vacuum truck pick up free oil, and the area will be cleaned and remediated in place.		
Describe Area Affected and Cleanup Action Taken.* Area remediated was on the well pad, was treated with Microblaze and nitrogen fertilizer, being worked into soil. <b>Depth to Ground Water: &gt;100'</b> ; <b>Wellhead Protection Area: No; Distance to Surface Water Body: &gt;1000'</b> ; <b>SITE RANKING IS 0. Yates Petroleum Corporation requests closure.</b>		



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:	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Robert Asher	Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: <u>8/13/07</u>	Expiration Date: <u>8/13/07</u>
E-mail Address: boba@ypcnm.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Thursday, August 09, 2007	Phone: 505-748-1471	

\* Attach Additional Sheets If Necessary

RP# 1530