

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

NSEB0803151429 OPERATOR Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 105 South 4th Street, Artesia, NM 88210	API Number 30-015-28166	Telephone No. 505-748-1471
Facility Name Serrano Federal # 1 Battery	Facility Type Battery	

Surface Owner Federal	Mineral Owner Federal	Lease No. NM-92748
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LOCATION OF RELEASE

Unit Letter M	Section 11	Township 15S	Range 25E	Feet from the 660	North/South Line South	Feet from the 660	East/West Line West	County Eddy
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Latitude 32.67000 Longitude 104.46139

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release 3 B/O & 4 B/PW	Volume Recovered 2 B/O & 3 B/PW
Source of Release Back Pressure Valve	Date and Hour of Occurrence 1/21/2008 AM	Date and Hour of Discovery 1/21/2008 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.*
Back pressure valve failed causing loss of gas pressure in water knockout, causing oil and produced water release. Vacuum truck called, backhoe crew called.

Describe Area Affected and Cleanup Action Taken.*
Area approximately 4' X 60' all contained inside berm, shut well in, vacuum truck picked up oil and produced, backhoe crew excavated soils and hauled to an OCD approved facility. Depth to Ground Water: 50-99', Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. With amounts released, oil and water recovered and contaminated soils excavated, 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 NMOCDC 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 NMOCDC 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, NMOCDC 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:	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by TIM GUM by MB Supervisor	Signed By
Title: Environmental Regulatory Agent	Approval Date: JAN 30 2008	Expiration Date: N/A
E-mail Address: bobas@ypcnn.com	Conditions of Approval: N/A	Attached <input type="checkbox"/>
Date: Tuesday, January 29, 2008	Phone: 505-748-4217	

* Attach Additional Sheets if Necessary

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