

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 TH Street	Facility Name Hunt APO State #1	Telephone No. 505-748-1471
Facility Name Hunt APO State #1	API Number 30-025-27135	Facility Type Battery
Surface Owner State	Mineral Owner State	Lease No. L-5012

LOCATION OF RELEASE

Unit Letter L	Section 4	Township 21S	Range 34E	Feet from the 2310	North/South Line South	Feet from the 660	East/West Line West	County Lea
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Latitude 32.50686 Longitude 103.48092

NATURE OF RELEASE

Type of Release Crude Oil	Volume of Release 6 B/O	Volume Recovered 4 B/O
Source of Release Knockout Dump	Date and Hour of Occurrence 1/21/2008 PM	Date and Hour of Discovery 1/21/2008 PM
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	

RECEIVED

JAN 30 2008

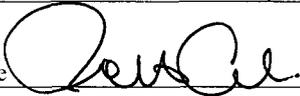
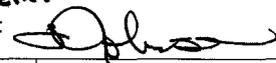
HOBBS OCD

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
Dumps on knockout stayed open (no gas pressure). Well shut in. Called vacuum truck and backhoe crew.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 42' X 6', all inside bermed battery. Remaining oil picked up, contaminated soils were excavated and taken to an OCD approved facility. **Depth to Ground Water: 50-99' (approx. 90'), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. Based on amounts released/recovered and 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 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 	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by District Supervisor: 	
Title: Environmental Regulatory Agent	Approval Date: <u>1.31.08</u>	Expiration Date: <u>—</u>
E-mail Address: boba@ypcnm.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Tuesday, January 29, 2008	Phone: 505-748-4217	

* Attach Additional Sheets If Necessary

RP# 1771