

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

SEB0809931217
n SEB0809931025

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street	API Number 30-005-63943	Telephone No. 505-748-1471
Facility Name Pigskin State Unit #1		Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VA-2643
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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
B	14	12S	26E	660	North	1650	East	Chaves

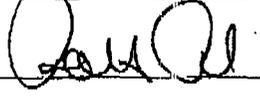
Latitude 33.28307 Longitude 104.30668

NATURE OF RELEASE

Type of Release Gel Water	Volume of Release 5 B/Gel Water	Volume Recovered 1 B/Gel water
Source of Release Frac Equipment	Date and Hour of Occurrence 3/7/2008 - PM	Date and Hour of Discovery 3/7/2008 - 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	
If a Watercourse was Impacted, Describe Fully.* N/A		
Describe Cause of Problem and Remedial Action Taken * Gel water released during frac work on well. Vacuum truck called.		

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 10' X 30' (well pad). Vacuum truck picked up remaining gel water. No further actions needed. **Depth to Ground Water: >50-99' (approximately 75' per trend map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. With amounts released and recovered, 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 NMOCID 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 NMOCID 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, NMOCID 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	TIM GUM by MR	Approved by District Supervisor By 
Title: Environmental Regulator/ Agent	Approval Date: APR 03 2008	Expiration Date: N/A
E-mail Address: boba@ypcnm.com	Conditions of Approval: N/A	Attached <input type="checkbox"/>
Date: Wednesday, March 12, 2008	Phone: 505-748-4217	

* Attach Additional Sheets If Necessary

SEB0809931371

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