

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

APR 10 2008
OCD-ARTESIA

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

SEAOB11250383
NSEAOB11250947

OPERATOR X Initial Report Final Report

Name of Company Yates Petroleum Corporation 25575	Contact Mike Stubblefield
Address 105 South 4 th Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712
Facility Name SRC "KZ" State Battery 30-015-22891	Facility Type Tank Battery

Surface Owner State	Mineral Owner State	Lease No. E-2781
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LOCATION OF RELEASE

Unit Letter G	Section 1	Township 19s	Range 24e	Feet from the 2310'	North/South Line FNL	Feet from the 1650'	East/West Line FEL	County Eddy
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Latitude ___ Longitude ___

NATURE OF RELEASE

Type of Release Produced Oil.	Volume of Release 180 bbls Oil	Volume Recovered 100 bbls Oil
Source of Release Stock tank	Date and Hour of Occurrence 4/4/2008 am	Date and Hour of Discovery 4/4/2008 am
Was Immediate Notice Given? Yes X No Not Required	If YES, To Whom? NMOCD/Mike Bratcher	
By Whom? Mike Stubblefield	Date and Hour 4/4/2008 8.30am	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken *
Full tank of Oil was turned in to be sold. The stock tank lost bottom sometime during the night. A vacuum truck was immediately called to the facility. The oil pooling in the lease road was recovered

Describe Area Affected and Cleanup Action Taken.*
The impacted area was the lease road in front of the battery. The impacted area on the lease road measure 180' long with narrow flow paths and two main pooling areas measuring 25' wide. The area behind the stock tanks was impacted with a pooling area measuring 30'x15'. The stock tank was removed from the battery area. The impacted soil has been excavated from the lease road & tank battery area. Removed soils were placed on a liner set on the location. The saturated soil will be removed to and OCD approved solid waste disposal facility. Soil samples will be taken for analytical from the impacted areas. Soil samples will be sent to a second party lab & analysis ran for TPH & B-TEX. If the initial analytical results find the TPH & B-TEX to be over the RRAL. A work plan will be submitted to OCD for the correction of the hydrocarbons. When Analytical results reflect the TPH & B-tex to be under the RRAL. A final C-141 form will be submitted to the OCD requesting closure for the release that occurred on 4/4/2008
Depth to ground water > 100', Wellhead protection area > 1000', Distance to surface water body > 1000' Site ranking 0.

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

OIL CONSERVATION DIVISION	
Signature: <i>Mike Stubblefield</i>	Approved by District Supervisor: <i>T. Gum by SB</i>
Printed Name Mike Stubblefield	Approval Date: <i>4-21-08</i> Expiration Date.
Title: Environmental Regulatory Agent	Conditions of Approval
E-mail Address: mikes@ypcnm.com	Attached <input checked="" type="checkbox"/>
Date: 4/10/2008 Phone 505-748-4500	REMEDIAL REQUIREMENTS

* Attach Additional Sheets If Necessary

2RP-159

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



April 21, 2008

Yates Petroleum Corporation
Attn: Mr. Mike Stubblefield
105 S 4th Street
Artesia, NM 88210

Reference: SRC 'KZ' State Battery G-1-19S-24E Eddy County, New Mexico
2RP-159

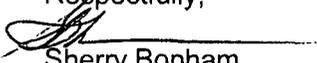
Operator,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of an Initial Report C-141 reporting a release of crude oil occurring at the above referenced facility. The C-141 (report) summarizes initial response actions taken. Additionally the report states soil samples will be obtained and presented to a laboratory to be analyzed for TPH and BTEX. Should the TPH and/or BTEX exceed the recommended remediation action levels, the report states that a work plan will be submitted to OCD.

- Notify the OCD 48 hours prior to obtaining samples where analyses are to be submitted to the OCD.
- Remediation work plan (as warranted per soil analytical data) to be submitted to OCD on or before **May 9, 2008**.
- Results of analytical data obtained through sampling shall be forwarded to OCD for approval **prior** to any backfilling activities
- A final Report C-141 is to be submitted to the OCD upon satisfactory completion of remediation project.
- Remediation requirements may be subject to change as site conditions warrant.
- Remediation activities to be completed on or before **June 13, 2008**.

Please be advised that NMOCD acceptance of a C-141 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 plan does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

Respectfully,


Sherry Bonham
NMOCD District 2
1301 W Grand Avenue
Artesia, NM 88210
575.748.1283 ext. 109
sherry.bonham@state.nm.us

