

District I
1625 N. French Dr., Hobbs, NM 88210
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

2 SEB0813056248
1 SEB0813056099

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street, Artesia, NM 88210	API Number 30-015-22242	Telephone No. 505-748-1471
Facility Name Mitchell SWD Transfer	Facility Type Battery	

Surface Owner Fee	Mineral Owner Fee	Lease No.
----------------------	----------------------	-----------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	23	17S	25E					Eddy

Latitude 32.82598 Longitude 104.45322

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release 5 B/O & 8 B/PW	Volume Recovered 0 B/O & 0 B/PW
Source of Release Produced Water Tank	Date and Hour of Occurrence 4/19/2008 AM	Date and Hour of Discovery 4/19/2008 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.* Blown CVE (power pole) fuse on transfer pump caused release from produced water tank, CVE called to replace fuse and crew called to clean up actions.		

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 15' X 30' on production pad and 20' X 50' outside pad. Contaminated soils scraped up and taken to an OCD approved facility. will treat area consisting of tilling and applying nitrogen fertilizer and micro blaze. Vertical and horizontal delineation will be made within sixty (60) days to determine if any further actions to be needed or will request closure. **Depth to Ground Water: >100' (approx. 175'), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0.**

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCED 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 NMOCED 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, NMOCED 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: <i>T. Bunting SB</i>	
Title: Environmental Regulatory Agent	Approval Date: <i>5-9-08</i>	Expiration Date: <i>7-9-08</i>
E-mail Address: boba@ypenm.com	Conditions of Approval: <i>STIPULATIONS</i>	Attached <input checked="" type="checkbox"/>
Date: Tuesday, April 29, 2008	Phone: 505-748-4217	

* Attach Additional Sheets If Necessary

SEB0813056353

2RP-1164

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



May 9, 2008

Yates Petroleum Corporation
Attn: Robert Asher
105 S 4th Street
Artesia, NM 88210

Reference: Mitchell SWD Transfer I-23-17S-25E Eddy County, New Mexico
2RP-166

Operator,

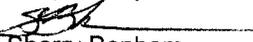
The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of an Initial Report C-141 for a release of produced fluids occurring at the above referenced facility on April 19, 2008. Included on the C-141 is a plan for remediation actions.

The plan is accepted with the following stipulations:

- Contaminated soils shall be remediated so that residual contaminant concentrations are below the recommended soil remediation action levels. Confirmation soil samples reflecting TPH, BTEX, and chloride constituents will be required.
- Notify the OCD 48 hours prior to obtaining samples where analyses are to be submitted to the OCD.
- Remediation requirements may be subject to change as site conditions warrant.
- Depending upon the contractual obligation, the operator may be required to obtain like approval from the surface owner. Should like approval be required, it is the operator responsibility per the contractual obligation to obtain this approval.
- Results of analytical data obtained through sampling shall be forwarded to OCD for approval prior to any backfilling activities.
- Upon completion of remedial activities, a final report summarizing all actions taken (including the watering, tilling, monitoring activities proposed in the work plan) to mitigate environmental damage related to the release is to be provided to OCD.
- A final Report C-141 is to be submitted to the OCD upon satisfactory completion of remediation project.
- Remediation to be completed on or before July 9, 2008.

Please be advised that NMOCD acceptance of this plan 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 this 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

