

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

JUN 25 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

SEB0819339191  
NSEB0819336812

OPERATOR

X Initial Report Final Report

Name of Company Yates Petroleum Corporation	25575	Contact Mike Stubblefield
Address 105 South 4 <sup>th</sup> Street, Artesia, N.M. 88210		Telephone No. 505-7484500 505-513-1712
Facility Name Glowworm ALX Federal #14		Facility Type Producing oil well

Surface Owner Federal	Mineral Owner Federal	Lease No.
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30-015-35316

LOCATION OF RELEASE

Unit Letter	Section 4	Township 23s	Range 31e	Feet from the 330'	North/South Line FNL	Feet from the 330'	East/West Line FEL	County Eddy
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Latitude 32.33971 Longitude 103.77485

NATURE OF RELEASE

Type of Release: Produced water, Oil	Volume of Release 45 BBLS PW 5 BBLS Oil	Volume Recovered 0 BBLS
Source of Release Flow line	Date and Hour of Occurrence 6/16/2008 6:00am	Date and Hour of Discovery same
Was Immediate Notice Given? Yes X No Not Required	If YES, To Whom? NMOCD/Mike Bratcher's voice mail box.	
By Whom? Mike Stubblefield	Date and Hour 6/17/2008 10:53am	
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.\*  
The back PIS valve locked up putting to much pressure on the KO and the flow line ruptured. The back PIS valve was replaced, the flow line was repaired.

Describe Area Affected and Cleanup Action Taken.\*  
The impacted area was between the tank battery and well location on the side of the lease road. This area measured to be 35'x15'. Soil samples will be taken from the impacted area. Soil samples will be submitted to a second party lab and analysis ran for Chlorides using EPA Method 300, TPH using EPA Method 8015m, B-TEX using EPA Method 8260B. When the analytical results have been received from initial soil samples taken, A work plan for the correction of the release based on analytical results will be submitted to the NMOCD for approval. The Chlorides will be evaluated and appropriate actions taken. Yates Petroleum Corporation will then submit a final C-141 form requesting closure for the release that occurred on 6/16/2008.  
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.

Signature: <i>Mike Stubblefield</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Mike Stubblefield	Approved by District Supervisor: <i>Tommy SB</i>	Remediation Actions to be completed and Final C-141 submitted with confirmation analyses/documentation on or before the Expiration Date.
Title: Environmental Regulatory Agent	Approval Date: 7-11-08	Expiration Date: 9-12-08
E-mail Address: mikes@ypcnm.com	Conditions of Approval: Within 30 days, on or before 8-13-08, completion of a remediation work plan based on delineation should be finalized and submitted for approval to the Division summarizing all actions taken and/or to be taken to mitigate environmental damage.	Attached <input type="checkbox"/> <b>ZRP-190</b>
Date: 6/25/2008 Phone: 505-748-4500		Notify OCD 48 hours prior to obtaining samples where analyses are to be presented to OCD

\* Attach Additional Sheets If Necessary  
SEB0819339278