

District I
1625 N. French Dr., Hobbs, NM 88241
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87110
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

ISEB0819347694
NSEB0819347546

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street		Telephone No. 505-748-1471
Facility Name Flora AKF Slate #1	API Number 30-015-26973	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VO-2597
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LOCATION OF RELEASE

Unit Letter N	Section 2	Township 22S	Range 31E	Feet from the 660	North/South Line South	Feet from the 2310	East/West Line West	County Eddy
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Latitude 32.41495 Longitude 103.74911

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release 4 B/O & 15 B/P/W	Volume Recovered 0 B/O & 0 B/P/W
Source of Release Steel Flow Line	Date and Hour of Occurrence 6/20/2008, AM	Date and Hour of Discovery 6/20/2008, 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.*
Steel flow line on the west side of the battery developed a leak. Isolated line, shut down well(s), called vacuum truck, backhoe crew and crew to repaired line.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 35' X 15'. No oil or produced water to recover. Vertical and horizontal delineation will be made and analysis ran for TPH/BTEX and chlorides (for reference purposes). If initial analytical results for TPH & BTEX are over RRAL's a work plan will be submitted. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. **Depth to Ground Water: >100' (approx. 125'), 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 NMOCDC 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 NMOCDC 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, NMOCDC 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:	Remediation Actions to be completed and Final C-141 submitted with confirmation analyses/documentation on or before the Expiration Date.
Title: Environmental Regulator/ Agent	Approval Date: 7-11-08	Expiration Date: 9-15-08
E-mail Address: bobu@ypcnm.com	Conditions: DELINEATION REQUIRED until contamination reaches background levels or a site specific acceptable level. As warranted, a work plan may be required.	Attached <input type="checkbox"/> 2RP-191
Date: Friday, June 27, 2008 Phone: 505-748-1471	Within 30 days, on or before 8-15-08 , 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.	

* Attach Additional Sheets If Necessary

SEB081934776A

Notify OCD 48 hours prior to obtaining samples where analyses are to be presented to OCD