

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1600 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

ICEE0735451610
NGEE0735451350

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 Salt Grass WS Federal #1	API Number 30-005-61945	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. NM-38476
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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
1	26	16S	27E	1980	South	660	East	Chaves

Latitude 33.07216 Longitude 104.19913

NATURE OF RELEASE

Type of Release Condensate & Produced Water	Volume of Release 70 B/C & 10 B/PW	Volume Recovered 0 B/C & 0 B/PW
Source of Release Stock tank	Date and Hour of Occurrence 12/17/2007 - PM	Date and Hour of Discovery 12/17/2007 - PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher, OCD, District II (Voice/Email & E-mail)	
By Whom? Robert Asher, Yates Petroleum Corporation	Date and Hour 12/17/2007, 4:20 PM	
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.*
Drain valve froze and broke on stock tank causing release. Crew called to start picking up contaminated soils.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 18' X 20' (inside battery), 18' X 35' (well pad) & 2' X 50' (north side of lease road) Contaminated soils have been excavated and disposed at an OCD approved facility. Vertical and horizontal delineation will be made and corrective action taken. 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.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCDD 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 NMOCDD 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, NMOCDD 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:	Approved by District Supervisor:	
Printed Name: Robert Asher	Approval Date: <u>DEC 20 2007</u> Expiration Date:	
Title: Environmental Regulatory Agent	Conditions of Approval:	Attached <input checked="" type="checkbox"/>
E-mail Address: hoba@ypcnm.com		
Date: Thursday, December 20, 2007	Phone: 505-748-4217	

* Attach Additional Sheets If Necessary

JRP-204

Guye, Gerry, EMNRD

From: Guye, Gerry, EMNRD
Sent: Thursday, December 20, 2007 2:24 PM
To: 'boba@ypcnm.com'
Subject: Salt Grass WS Fed #1

This office is in receipt of your C-141 on the oil and produced water release, at this facility.

NMOCD Rule 19.15.3.116 states in part ... "The responsible person must complete **division approved corrective action** for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with Section 19 of 19.15.1 NMAC."

Information and tools for proper corrective action may be found in the Environmental Handbook on our web site www.emnrd.state.nm.us/ocd under the heading publications.

Remediation requirements may be subject to other federal, state and local laws or regulations.

Within 30 days, **on or before January 20, 2008**, completion of a remediation work plan should be finalized and submitted to the Division, summarizing all actions taken or to be taken to mitigate environmental damage related to the leak, spill or release, for approval.

Please be advised that NMOCD acceptance and/or approval of documents or work plans 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 and/or approval of documents or work plans do not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

If I may be of further service or if you have any questions please feel free to contact me.

Gerry Guye
Compliance Officer
NMOCD - Artesia
Office (505)748-1283x105
Mobile (505)626-0843
E-Mail: gerry.guye@state.nm.us

12/20/2007