

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

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

OPERATOR

Initial Report Final Report

Name of Company - Texas ReExploration Operating, LC	Contact - Dean Brooks
Address - 3025 Maxroy Houston, TX 77008	Telephone No. 713-622-2425
Facility Name - Abalone State #1	Facility Type - Tank Battery API # 30-025-01153

Surface Owner	Mineral Owner -	Lease No. V-2461
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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
D	26	14S	33E	660	North	660	West	Lea

Latitude 33.08086 Longitude 103.59087

NATURE OF RELEASE

Type of Release Crude Oil	Volume of Release 30B/O	Volume Recovered 20 B/O
Source of Release Dump valve	Date and Hour of Occurrence 6/19/2006 AM	Date and Hour of Discovery 6/19/2006 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Pat Caperton, OCD District II	
By Whom? Robert Asher - Yates Petroleum, Corp.	Date and Hour 6/20/2006 11:52 AM	
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.*

Describe Cause of Problem and Remedial Action Taken.*
Water dump stuck shut, forcing water into oil tank causing tank to overflow.

Describe Area Affected and Cleanup Action Taken.*

Initial remediation action taken by Yates Petroleum (original operator at time of spill). The approximate area of the spill was 50'X25'. The well was shut in and a vacuum truck was called to pick up standing fluid, and the water dump repaired. The contaminated soil was excavated and used to reinforce the tank battery berms.
Texas ReExploration contracted Baseline Solutions to conduct analytical field sampling and found TPH levels to be less than 1000ppm and Chloride levels were less than 250ppm.

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>Andy B. Price</i>	OIL CONSERVATION DIVISION	
Printed Name: Andy Price	<i>Johnson</i>	
Title: Environmental Representative	Approved by District Supervisor: <i>Johnson</i>	ENVIRONMENTAL ENGINEER
E-mail Address: andyprice@grandecom.net	Approval Date: <u>7.10.08</u>	Expiration Date: <u> </u>
Date: 7/9/08 Phone: 432-352-6400	Conditions of Approval:	Attached <input type="checkbox"/>

Incident # nPAC0618734850
Application # pPAC0618735116

RP #947

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Release Notification and Corrective Action

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 Abalone AMB State #1	API Number 30-025-01153	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. V-2461
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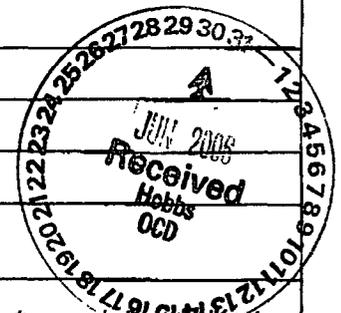
LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	26	14S	33E	660	North	660	West	Lea

Latitude 33.08086 Longitude 103.59087

NATURE OF RELEASE

Type of Release Crude Oil	Volume of Release 30 B/O	Volume Recovered 20 B/O
Source of Release Dump Valve	Date and Hour of Occurrence 6/19/2006 - AM	Date and Hour of Discovery 6/19/2006 - AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Pat Caperton, OCD District II	
By Whom? Robert Asher	Date and Hour 6/20/2006 - 11:52 AM	
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.* Water dump stuck shut, forcing water into oil tank causing tank to over flow.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 50' X 25', inside the berm. Well shut in, vacuum truck was called to pick up standing fluid, water dump repaired, contaminated soil to be excavated. Area to be evaluated. Depth to Ground Water: 50-99'; Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 10.		



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Signature: <i>Robert Asher</i>	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date:	Expiration Date:
E-mail Address: boba@ypcnm.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Thursday, June 29, 2006	Phone: 505-748-1471	

* Attach Additional Sheets If Necessary

incident - n PAC0618734850
application - p PAC0618735114

RP# 947