

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

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

SEP - 9 2008
OCD-ARTESIA

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 Yates Petroleum Corporation	Contact Mike Stubblefield
Address 105 South 4 th Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712
Facility Name Aparejo APA State Com. #3	Facility Type Oil Well

Surface Owner State	Mineral Owner State	Lease No.
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30 015 28413

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	16	19s	25e	660'	FNL	1980'	FEL	Eddy

Latitude ___ Longitude ___

NATURE OF RELEASE

Type of Release Brine Water	Volume of Release 10-15 bbls	Volume Recovered 0
Source of Release Equipment used in Frac operations.	Date and Hour of Occurrence 3/20/2008 pm	Date and Hour of Discovery 3/22/2008 am
Was Immediate Notice Given? Yes <input type="checkbox"/> No <input type="checkbox"/> X Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
The Aparejo APA State Com. #3 was worked over and frac on 3/20/2008. A release was reported by the Rancher on 3/22/2008 to NMOCD. The source of the release was residue brine water from pump supply lines used during the frac operations. A backhoe was immediately brought to the location. The impacted pooling area was located to the east of the frac tanks was then back dragged.

Describe Area Affected and Cleanup Action Taken.*
3/31/2008 the impacted soil located in the pooling area and the flow path located under the frac tanks was excavated. The pooling area was excavated to a depth of 1' BGS. The flow path located under the frac tanks was excavated to a depth of 2' BGS. The removed soil was then hauled to Lea Land Inc. A total of 61 yds of impacted soil was hauled to the disposal facility. 4/8/2008 after notification was provided to NMOCD soil samples were taken for analytical from the excavated areas. Analytical results dated 4/14/2008 as reported by Cardinal Lab. show the Chlorides to be 48 ppm in the excavated pooling area at the 1' depth. Chlorides at 6' BGS were <16 ppm. The Chlorides were reported to be 336 ppm in the excavated flow path. Chlorides were reported to be <16 ppm at a depth of 6' BGS in the excavated flow path. Yates Petroleum Corporation is submitting a final C-141 form and requesting closure for the release that occurred on 3/20/2008.
Depth to ground water 50'-100', Wellhead protection area > 1000', Distance to surface water body > 1000' Site ranking score 10.

OIL CONSERVATION DIVISION

Signature: <i>Mike Stubblefield</i>	Approved by District Supervisor: <i>T. Gumbly SB</i>	
Printed Name: Mike Stubblefield	Approval Date: <i>10-1-08</i>	Expiration Date: <i>N/A</i>
Title: Environmental Regulatory Agent	Conditions of Approval: <i>N/A</i>	
E-mail Address: mikes@ypcnm.com	Attached <input type="checkbox"/> <i>N/A</i>	
Date: 9/4/2008	Phone: 505-748-4500	

* Attach Additional Sheets If Necessary

2RP-229



CARDINAL LABORATORIES

101 East Harland, Hobos, NM 88240 7111 Beechwood, Abilene, TX 79603
 (505) 393-2325 FAX (505) 393-2475 (505) 673-7001 FAX (505) 673-7020

CHAIN OF CUSTODY AND ANALYSIS REQUEST

BILL TO

ANALYSIS REQUEST

Company Name: Votes Petroleum Corp P.O. #:
 Project Manager: Mike Shubbs/Field Company:
 Address: 65 S. 4th St. City:
 City: Attesia State: NM Zip: 98210 Address:
 Phone #: 505-748-4500 Fax #: 505-748-4635 City:
 Project #: Project Owner: State: Zip:
 Project Name: ADOREJO ACPA Site #3 Phone #:

Sampler Name: Lab ID: Sample ID:
 Project Location:

Lab ID	Sample ID	MATRIX		PRESERV.		DATE	TIME	ANALYSIS REQUEST	
		GROUNDWATER	WASTEWATER	ACID/BASE	ICE/COOL			OTHER	DATE
4/14/08-37-1	Excavated Rocks Area 1					4/14/08	2:30p		
-2	Food Path 2'					4/14/08	2:00p		
-3	Excavated Flow Path 6'					4/14/08	3:00p		
-4	Excavated Redding Area 1					4/14/08	3:30p		

PLEASE NOTE: Lability and Ownership Considerations: It is the responsibility of the client to ensure that all samples are properly labeled and that all necessary permits are obtained. The client is responsible for the accuracy of the information provided on this form. The client is also responsible for the accuracy of the information provided on this form. The client is also responsible for the accuracy of the information provided on this form.

Requested by: [Signature] Date: 4/14/08
 Relinquished by: [Signature] Date: 4/14/08
 Received by: [Signature] Date: 4/14/08
 Delivered By: ICircis One!
 Sampler - UPS - Bus - Other:

Sample Condition: Cool Fridge Yes No
 Checked By: [Signature]

Phone Result: Yes No Add'l Phone #:
 Remarks:

* Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2475

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OCD-ARTESIA
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Release Notification and Corrective Action

OPERATOR

X Initial Report Final Report

Name of Company Yates Petroleum Corporation <i>25575</i>	Contact Mike Stubblefield
Address 105 South 4 th Street, Artesia, N.M. 88210	Telephone No. 505-748-4500 505-513-1712
Facility Name Aparejo APA State #3 30-015-28413	Facility Type Oil Well

Surface Owner State	Mineral Owner State	Lease No.
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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
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Source of Release Equipment used in Frac operations.	Date and Hour of Occurrence 3/20/2008 pm	Date and Hour of Discovery 3/22/2008 am
Was Immediate Notice Given? Yes X No X Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
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 NDDUP #2 was worked over and frac on 3/20/2008. A release was reported by Rancher on 3/22/08 to OCD. The source of the release was residue brine water from pump supply lines used during the frac operations. A backhoe was immediately brought to the location. The area to the east of the frac tanks was back dragged.

Describe Area Affected and Cleanup Action Taken.
The impacted area is located on the east side of the frac tanks and in a narrow flow path under the frac tanks. Yates will have the frac tanks removed from the location. The visibly impacted soils located under the frac tanks and to the east of the frac tanks will be excavated and hauled to and OCD approved solid waste disposal facility. The area will then be back dragged. Soil samples will be taken from the impacted area. The soil samples taken will be submitted to a second party lab and analysis ran for Chlorides. The Chlorides will be documented. The nearest ground water to the NDDUP #2 as reported by the NMOSE is in sec. 16-19s-25e. The depth to GW in sec. 16-19s-25e is 95'.

Amended for C-141 submitted on 3/28/2008
Depth to ground water - 50'-99'. Wellhead protection area - > 1000'. Distance to surface water body - > 1000' Site ranking score 10 points.

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.

OIL CONSERVATION DIVISION	
Signature: <i>Mike Stubblefield</i>	Approved by District Supervisor: Accepted for record - NMOCD
Printed Name: Mike Stubblefield	Approval Date: _____ Expiration Date: _____
Title: Environmental Regulatory Agent	Conditions of Approval: _____ Attached <input type="checkbox"/>
E-mail Address: mikes@ypcnm.com	<i>JRP-229</i>
Date: 4/9/2008 Phone: 505-748-4500	

* Attach Additional Sheets If Necessary

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Release Notification and Corrective Action

SE00827541446
NSE082754111

OPERATOR

X Initial Report Final Report

Name of Company Yates Petroleum Corporation 25575	Contact Mike Stubblefield
Address 105 South 4 th Street, Artesia, N.M. 88210	Telephone No. 505-748-4500 505-513-1712
Facility Name NDDUP #2 30-015-28413	Facility Type Oil Well

Surface Owner State	Mineral Owner State	Lease No.
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OIL CONSERVATION DIVISION	
Signature: <i>mikes Stubblefield</i>	Approved by District Supervisor: <i>T. ... by SB</i>
Printed Name Mike Stubblefield	Approval Date: <i>4-7-08</i> Expiration Date:
Title: Environmental Regulatory Agent	Conditions of Approval:
E-mail Address: mikes@ypcnm.com	Attached <input type="checkbox"/>
Date: 3/27/2008 Phone: 505-748-4500	<i>2RP-229</i>

* Attach Additional Sheets If Necessary
SE00827541542