

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

**RECEIVED**  
FEB 11 2009  
**HOBBSOCD**

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 Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 <sup>TH</sup> Street		Telephone No. 505-748-1471
Facility Name Lagarto AMZ State #1	API Number 30-025-01820	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VO-1611
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**LOCATION OF RELEASE**

Unit Letter M	Section 1	Township 11S	Range 34E	Feet from the 660	North/South Line South	Feet from the 660	East/West Line West	County Lea
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Latitude 33.38915 Longitude 103.47008

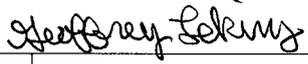
**NATURE OF RELEASE**

Type of Release Produced Water	Volume of Release 15 B/PW	Volume Recovered 15 B/PW
Source of Release Production Tank	Date and Hour of Occurrence 1/26/2009 AM	Date and Hour of Discovery 1/26/2009 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.\*  
Hole in tank bottom. Vacuum truck called WATER @ 150'

Describe Area Affected and Cleanup Action Taken.\*  
An approximate area of 40' X 40'. Isolated leak. Vacuum truck picked up produced water, battery lined with 20 mil liner. Production Department is currently replacing tank with hole in bottom, pulling other tanks and checking integrity of liner, if liner uncompromised will submit Final C-141 requesting closure, if liner has been compromised, vertical/horizontal delineation will be conducted. If analytical results for TPH & BTEX are below RRAL's, Final C-141 will be submitted. If analytical results for TPH & BTEX are above RRAL's a work plan will be submitted. **Depth to Ground Water: 50-99' (approx. 50'), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. Based on battery being lined, Yates Petroleum Corporation requests closure.**

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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Robert Asher	Approved by District Supervisor: 	
Title: Environmental Regulatory Agent	Approval Date: 02/23/09	Expiration Date: 04/17/09
E-mail Address: boba@ypcnm.com	Conditions of Approval: FINAL C-141 DUE BY 04/17/09	Attached <input type="checkbox"/>
Date: Tuesday, February 10, 2009	Phone: 505-748-4217	IRP-09.02.2094

\* Attach Additional Sheets If Necessary

FGRL0905439987