

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

RECEIVED
AUG 24 2009
HOBSOCD

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 TH Street		Telephone No. 505-748-1471
Facility Name Flamenco Federal #1	API Number 30-025-31076	Facility Type SWD Battery

Surface Owner Federal	Mineral Owner Federal	Lease No. NM-84890
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LOCATION OF RELEASE

API# 30-025-31076-00-00

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	7	22S	32E	1650	South	660	West	Lea

Latitude 32.40333 Longitude 103.72034

NATURE OF RELEASE

Type of Release Oil & Produced Water	Volume of Release 100 B/O & 600 B/PW	Volume Recovered 0 B/O & 0 B/PW
Source of Release Gun Barrel	Date and Hour of Occurrence 8/11/2009, PM	Date and Hour of Discovery 8/11/2009, AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson/NMOCD Hobbs (Voice mail & e-mail)	
By Whom? Robert Asher/YPC Environmental	Date and Hour 8/12/2009, 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

WATER @ 280'

Describe Cause of Problem and Remedial Action Taken.*
Lightning struck 750 barrel fiberglass gun barrel tank, causing release and fire that destroyed 4 other tanks on location. Fire department called and main water line shut.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 120' X 120'. Produced water released from gun barrel broke through bermed tank battery and released in area west of the battery off location. Backhoe equipment started removing damaged tanks/equipment; impacted soils were excavated and taken to an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX to determine next course of action taken. **Depth to Ground Water: >100' (approx. 280', per New Mexico Office of the State Engineer), 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 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: 	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by ENV ENGINEER: <i>Steve Sabery</i> District Supervisor	
Title: Environmental Regulatory Agent	Approval Date: 08/24/09	Expiration Date: 10/26/09
E-mail Address: boba@ypcnm.com	Conditions of Approval: DELINEATE TO CLEAN UP. SUBMIT FINAL C-141 BY IRP-09-09-2281	Attached <input type="checkbox"/> IRP-09-09-2281
Date: Thursday, August 20, 2009	Phone: 505-748-4217	

* Attach Additional Sheets If Necessary

SAMPLING MUST INCLUDE
CHLORIDES.