

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

AMLB1033638700 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. 575-748-1471
Facility Name Skuzie XL Com. #1	API Number 30-015-20922	Facility Type Battery

Surface Owner Fee	Mineral Owner Fee	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
B	11	18S	25E	660	North	1980	East	Eddy

Latitude 32.76790 Longitude 104.45283

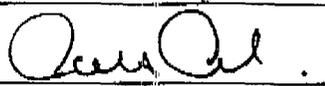
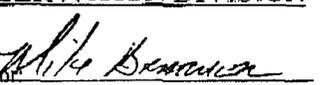
NATURE OF RELEASE

Type of Release Oil	Volume of Release 56 B/O	Volume Recovered 0 B/O
Source of Release Production tank	Date and Hour of Occurrence 6/30/2010, AM	Date and Hour of Discovery 6/30/2010, AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD Artesia	
By Whom? Robert Asher/YPC Environmental	Date and Hour 7/7/2010, AM (voicemail & e-mail)	
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 bottom of production tank.

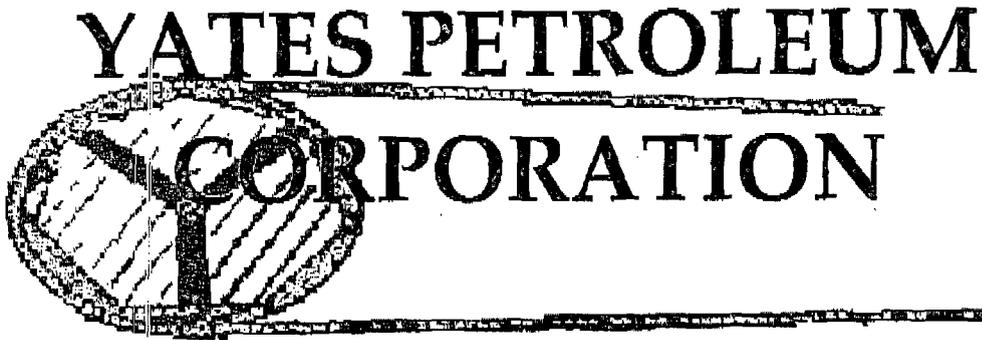
Describe Area Affected and Cleanup Action Taken.*
An approximate area of 15' X 15'. No oil to recover. Production tank pulled and will conduct vertical/horizontal delineation to determine extent of impacted soils. Samples will be tested for TPH & BTEX. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL, a work plan will be submitted to the OCD. **Depth to Ground Water: >100'** (approx. 168', Section 10, T18S-R25E, approx. 200', Section 12, T18S-R25E, 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 District Supervisor: 	
Title: Environmental Regulatory Agent	Approval Date: DEC 02 2010	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: <i>Remediation per NMOCD Rules & Guidelines</i>	Attached <input type="checkbox"/>
Date: Wednesday, July 07, 2010	Phone: 575-748-4217	

* Attach Additional Sheets If Necessary

2 RP-488



FACSIMILE TRANSMITTAL SHEET

TO:	FROM:
Mike Bratcher	Robert Asher
FAX NUMBER:	DATE:
9-748-9720	Wednesday, July 07, 2010
COMPANY:	TOTAL NO. OF PAGES INCLUDING COVER:
NMOCD	3
RE:	NOTES/COMMENTS:
C-141; Skuzie XL Com. #1	Initial Report (6/30/2010 Release)

URGENT
 FOR REVIEW
 PLEASE COMMENT
 PLEASE REPLY
 PLEASE RECYCLE

ADDITIONAL NOTES & COMMENTS:

Call me if you have any questions, 575-748-4217.

Thank you.

Robert Asher

Environmental Regulatory Department

Bratcher, Mike, EMNRD

From: Bob Asher [BobA@yatespetroleum.com]
Sent: Wednesday, July 07, 2010 11:15 AM
To: Bratcher, Mike, EMNRD
Cc: Jerry Fanning
Subject: Release (Skuzie XL Com. #1)

Yates Petroleum Corporation is reporting a release at the following location.

Skuzie XL Com. #1
30-015-20922
Section 11, T18S-R25E
Eddy County, New Mexico

Site Ranking is Zero (0) based on information from the New Mexico Office of the State Engineer
Section 10, T18S-R25E; depth to ground water recorded at 168'

Released: 56 B/O; Recovered: 0 B/O

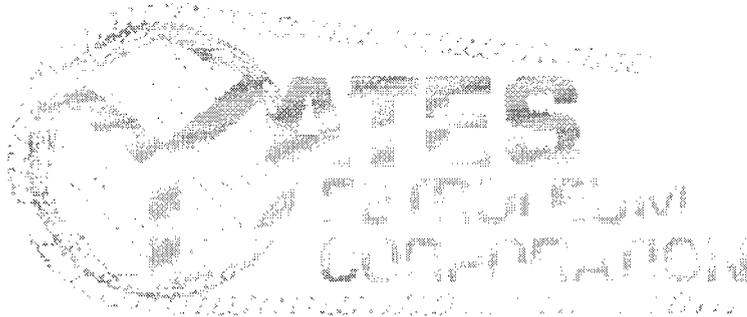
The lease operator discovered the tank empty on 6/30/2010 and because there was no visible oil or odor around the base of the tank it was thought that the contents were stolen.

The production foreman had the tank pulled, with the weekend and holiday the Environmental Division was notified on 7/6/2010 to verify that a release had occurred (a small hole was discovered in the tank bottom) and a site check confirmed that a release had occurred.

A C-141 Initial report will be submitted today to your office outlining details.

If you have any questions, please contact me.

Thank you.



Robert Asher
Environmental Regulatory Agent
Yates Petroleum Corporation

boba@yatespetroleum.com

575-748-4217 (Office)

575-365-4021 (Cell)

575-748-4662 (Fax)



New Mexico Office of the State Engineer

Wells with Well Log Information

(quarters are 1=NW 2=NE 3=SW 4=SE)
 (quarters are smallest to largest) (NAD83 UTM in meters)

POD Number	Sub basin	Use	County	Source	q q q			Sec	Tws	Rng	X	Y	Start Date	Finish Date	Log File Date	(in feet)	
					6416	4	4									Depth Well	Depth Water
<u>RA 03722</u>	DOM	ED	Shallow	1	1	1	03	18S	25E	548637	3627433*	05/14/1957	05/24/1957	06/25/1958	223	184	
<u>RA 03722 D</u>	DOM	ED	Shallow	1	1	1	03	18S	25E	548637	3627433*	05/14/1957	05/27/1957	06/25/1958	223	184	
<u>RA 03772</u>	DOM	ED	Shallow	1	3	1	03	18S	25E	548641	3627030*	08/29/1980	09/20/1980	09/25/1980	275	140	
<u>RA 04068</u>	DOM	ED	Artesian	1	3	10	18S	25E		548766	3624913*	07/17/1959	08/09/1959	08/26/1959	300	168	
<u>RA 06077</u>	DOM	ED	Shallow	1	1	01	18S	25E		551975	3827336*	07/30/1976	08/15/1976	08/19/1976	325	187	
<u>RA 07251</u>	STK	ED	Shallow	4	2	02	18S	25E		551574	3626930*	11/01/1983	11/14/1983	11/22/1983	215	175	
<u>RA 08103</u>	DOM	ED	Shallow	2	02		18S	25E		551372	3627128*	11/24/1992	11/30/1992	12/09/1992	200		
<u>RA 10090</u>	DOM	ED	Shallow	2	1	1	01	18S	25E	552074	3627435*	08/03/2005	08/06/2005	08/08/2005	234	170	
<u>RA 10230</u>	DOM	CH	Shallow	4	2	3	12	18S	25E	552502	3624812*	03/09/2002	03/16/2002	03/20/2002	400	200	
<u>RA 11259 POD</u>	STK	ED	Shallow	2	2	2	01	18S	25E	553377	3627503	07/01/2008	07/05/2008	03/08/2010	237	190	

Record Count: 10

PLSS Search:

Section(s): 1, 2, 3, 10, 11, 12, 13, 14, 15 Township: 18S Range: 25E

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters) (In feet)

POD Number	Sub basin	Use	County	Q Q Q			Sec	Tws	Rng	X	Y	Depth	Depth	Water
				64	16	4						Well	Water	Column
RA 02836	DOM	ED	4	1	3	04	18S	25E	547224	3626432*	225	155	70	
RA 02836 REPAR	DOM	CH	4	1	3	04	18S	25E	547224	3626432*	225	155	70	
RA 03159	STK	ED		1	1	18	18S	25E	543919	3624105*	270	230	40	
RA 03722	DOM	ED	1	1	1	03	18S	25E	548637	3627433*	223	184	39	
RA 03722 D	DOM	ED	1	1	1	03	18S	25E	548637	3627433*	223	184	39	
RA 03772	DOM	ED	1	3	1	03	18S	25E	548641	3627030*	275	140	135	
RA 03975	DOM	ED	3	1	3	36	18S	25E	551942	3618353*	430	270	160	
RA 04068	DOM	ED		1	3	10	18S	25E	548766	3624913*	300	168	132	
RA 04335	STK	CH		1	1	32	18S	25E	545580	3619275*	400	300	100	
RA 04344	STK	CH		1	1	21	18S	25E	547168	3622497*	381	220	161	
RA 04346	STK	CH		3	3	07	18S	25E	543918	3624506*	150			
RA 04348	DOM	ED			1	04	18S	25E	547321	3627138*	150			
RA 04365	DOM	CH		1	1	21	18S	25E	547168	3622497*	265	150	115	
RA 05344	PRO	ED		4	4	26	18S	25E	551637	3619659*	455	200	255	
RA 05620	PRO	ED	3	2	4	24	18S	25E	553142	3621575*	204	158	46	
RA 06077	DOM	ED		1	1	01	18S	25E	551975	3627336*	325	187	138	
RA 07251	STK	ED		4	2	02	18S	25E	551574	3626930*	215	175	40	
RA 08103	DOM	ED			2	02	18S	25E	551372	3627128*	200			
RA 08146	STK	ED	4	4	3	28	18S	25E	547693	3619576*	400			
RA 08149	STK	ED	4	1	1	18	18S	25E	544018	3624004*	430			
RA 10090	DOM	ED	2	1	1	01	18S	25E	552074	3627435*	234	170	64	
RA 10230	DOM	CH	4	2	3	12	18S	25E	552502	3624812*	400	200	200	
RA 10533		ED	4	2	2	11	18S	25E	551685	3625617*	200			
RA 10534		ED	4	3	3	11	18S	25E	550488	3624400*	200			
RA 10535	DOM	ED	4	4	4	11	18S	25E	551700	3624404*	200			
RA 10536		ED	4	1	1	11	18S	25E	550477	3625607*	200			
RA 11259 POD1	STK	ED	2	2	2	01	18S	25E	553377	3627503	237	190	47	

*UTM location was derived from PLSS - see Help

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Average Depth to Water: **190 feet**

Minimum Depth: **140 feet**

Maximum Depth: **300 feet**

Record Count: 27

PLSS Search:

Township: 18S

Range: 25E