

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

nmlb1034126733

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 Rio Penasco RT Com. #1	API Number 30-015-23978	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
H	3	19S	25E	1980	North	660	East	Eddy

Latitude 32.69198 Longitude 104.46566

NATURE OF RELEASE

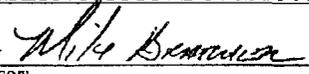
Type of Release Oil & Produced Water	Volume of Release 14 B/O & 8 B/PW	Volume Recovered 2 B/O & 0 B/PW
Source of Release Production tank	Date and Hour of Occurrence 11/29/2010, PM	Date and Hour of Discovery 11/29/2010, PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD Artesia	
By Whom? Robert Asher/YPC Environmental	Date and Hour 11/29/2010, PM (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. Vacuum truck and roustabout crew called.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 15' X 15'. Vacuum truck recovered small amount of oil but no produced water was recovered. Production tank pulled and will conduct vertical/horizontal delineation to determine extent of impacted soils. Samples will be tested for TPH & BTEX (chlorides for documentation). 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. 204', Unit Letter E, Section 2, T189S-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	Signed By  Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: DEC 07 2010	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Monday, December 06, 2010 Phone: 575-748-4217	REMEDATION per OCD Rules and Guidelines. SUBMIT REMEDIATION PROPOSAL BY: 1/7/2011	

* Attach Additional Sheets If Necessary

2RP-492

Bratcher, Mike, EMNRD

From: Bob Asher [BobA@yatespetroleum.com]
Sent: Monday, November 29, 2010 4:55 PM
To: Bratcher, Mike, EMNRD
Cc: Jerry Fanning
Subject: Release (Rio Penasco RT Com. #1)

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

Rio Penasco RT Com. #1
30-015-23978
Section 3, T19S-R25E
Eddy County, New Mexico

Released: 14 B/C & 11 B/PW

Release was from a hole in the bottom of the tank, vacuum truck called. Complete information will be submitted with a C-141 report.

Thank you.

Robert Asher

Yates Petroleum Corporation

Office: (575) 748-4217

Cell: (575) 365-4021

Fax: (575) 748-4662

boba@yatespetroleum.com