

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

RECEIVED
MAY 19 2011
NMOCD ARTESIA

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

MLB 1114046571 OPERATOR Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 105 South 4th Street, Artesia, NM 88210	Telephone No. 575-748-1471	
Facility Name Serrano Federal #1	API Number 30-015-28166	Facility Type Battery

Surface Owner Federal	Mineral Owner Federal	Lease No. NM-92748
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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
M	11	19S	25E	660	South	660	West	Eddy

Latitude 32.67000 Longitude 104.46139

NATURE OF RELEASE

Type of Release Crude Oil/Produced Water Mix	Volume of Release 150 B/O & PW Mix	Volume Recovered 130 B/O & PW Mix
Source of Release Produced water tank	Date and Hour of Occurrence 5/3/2011 AM	Date and Hour of Discovery 5/3/2011 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, District II	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 5/3/2010; 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.*
Water transfer pump air locked, causing produced to overflow from water leg and hatch of tank. Vacuum truck called.

Describe Area Affected and Cleanup Action Taken.*
Area approximately 30' X 75' all contained inside berm, vacuum truck picked up remaining oil and produced water. Impacted soils to be excavated and hauled to an NMOCD approved facility. Initial vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). Analytical results will determine if closure can be requested or a work plan will be submitted. **Depth to Ground Water: 50-99' (80' per N.M. Office of the State Engineer), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10.**

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: <u>5/20/2011</u>	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Thursday, May 19, 2011 Phone: 575-748-4217	Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	

* Attach Additional Sheets If Necessary

6/20/2011
2RP-785

Bratcher, Mike, EMNRD

From: Bob Asher [BobA@yatespetroleum.com]
Sent: Wednesday, May 04, 2011 4:16 PM
To: Bratcher, Mike, EMNRD
Cc: Jerry Fanning
Subject: Release (Serrano Federal #1 Battery)

Mike,

Yates Petroleum Corporation is reporting a release that occurred Wednesday, May 4, 2011.

Serrano Federal #1 Battery
30-015-28166
Section 11, T19S-R25E
Eddy County, New Mexico

Released: 50 B/PW from transfer pump that locked up, vacuum truck called.

An Initial C-141 will be submitted with complete information.

Thank you.

Robert Asher

Yates Petroleum Corporation

Office: (575) 748-4217

Cell: (575) 365-4021

Fax: (575) 748-4662

boba@yatespetroleum.com