

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

MAR 24 2006

OOD-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

30-015-29501

nmLB061015066

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company YATES PETROLEUM CORPORATION	Contact SHERRY BONHAM	
Address 105 S 4 TH STREET	Telephone No. 505 748 1471	
Facility Name BOYD BN 6	Facility Type WELL	
Surface Owner PRIVATE	Mineral Owner STATE	Lease No.

LOCATION OF RELEASE

Unit Letter O	Section 15	Township 19S	Range 25E	Feet from the 660	North/South Line SOUTH	Feet from the 1780	East/West Line EAST	County EDDY
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Latitude 32.65537 Longitude 104.46920

NATURE OF RELEASE

Type of Release PRODUCED WATER	Volume of Release 20 B/W	Volume Recovered 0 B/W
Source of Release FLOW LINE	Date and Hour of Occurrence 3/21/06 AM	Date and Hour of Discovery 3/21/06 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 FLOW LINE. WELL SHUT IN. WAITING ON ONE CALL TO REPAIR LINE.

Describe Area Affected and Cleanup Action Taken.*

AN APPROXIMATE 240 SQ FT AREA IMPACTED. WILL ASSESS TO SEE IF FURTHER ACTIONS WILL BE REQUIRED.

SITE RANKING: 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: <i>Sherry Bonham</i>	OIL CONSERVATION DIVISION	
Printed Name: Sherry Bonham	Approved by District Supervisor TIM GUM by MB <i>[Signature]</i>	
Title: Environmental Regulatory Agent Trainee	Approval Date: 4/18/06	Expiration Date: N/A
E-mail Address: sherryb@ypcnm.com	Conditions of Approval:	Attached <input checked="" type="checkbox"/>
Date: March 24, 2006	Phone: 505 748 1471	

* Attach Additional Sheets If Necessary



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Yates Petroleum Corporation
105 S. 4th St.
Artesia, NM 88210
ATTN: Environmental Department

April 18, 2006

Reference: Boyd BN 006 O-15-19s-25e API: 30-015-29501

Operator,

An Initial Report C-141 has been submitted to the NMOCD District 2 office reporting a release of produced fluids at the above referenced well site. The reported release was 20 barrels of produced water with no product recovered. The C-141 indicates the site will be assessed to determine if further actions will be required. The C-141 ranks the site as 10 points per NMOCD Guidelines.

The release was due to a hole in the flow line. A NMOCD Field Inspector on 4/11/2006 made a physical inspection at the site. The flow line for this well exits the wellhead on the North side and goes below ground. The direction is toward what would have been the drilling pit area for this well. There were indications of recent dirt work (excavations) in that general area. Please provide updated information as to actions taken at well site and if the assessment mentioned in the C-141 has been performed. Please provide this information to the NMOCD District 2 office no later than May 9, 2006.

If Yates believes no further action is required at this site, please submit a C-141 marked Final Report along with the information requested in this correspondence.

If I can be of assistance, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Bratcher".

Mike Bratcher

NMOCD District 2

1301 W. Grand Ave.

Artesia, NM 88210

(505) 748-1283 Ext. 108

(505) 626-0857

Mike.Bratcher@state.nm.us