

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

30-015-25732

1 MLB 0606253638

OPERATOR

X Initial Report

Final Report

Name of Company Yates Petroleum Corp. 25575	Contact Dan Dolan
Address 105 S. 4 th St., Artesia NM 88210	Telephone No. 748-4181
Facility Name Parish IV Battery (NDDUP #78)	Facility Type Oil Battery

Surface Owner Fed	Mineral Owner Fed	Lease No.
-------------------	-------------------	-----------

LOCATION OF RELEASE

Unit Letter K	Section 19	Township 19S	Range 25E	Feet from the 1980	North/South Line South	Feet from the 1980	East/West Line East	County Eddy
------------------	---------------	-----------------	--------------	-----------------------	---------------------------	-----------------------	------------------------	----------------

Latitude 32.6444_ Longitude 104.521_

NATURE OF RELEASE

Type of Release Produced fresh water and iron sulfide	Volume of Release 250bbl	Volume Recovered 210bbl
Source of Release Water line joint slipped apart	Date and Hour of Occurrence 1200PM 02-02-06	Date and Hour of Discovery 1200PM 02-02-06
Was Immediate Notice Given? X Yes <input type="checkbox"/> No Not Required	If YES, To Whom? Mike Bratcher, District 2 OCD	
By Whom? Dan Dolan	Date and Hour 02-02-06, 1615 hrs	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

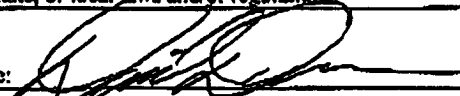

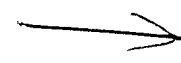
Describe Cause of Problem and Remedial Action Taken.*

A joint in the water line slipped apart, causing water to flood the inside area of the berm around the tank battery, a small amount of water spilled over the berm on the south west corner and flowed 50'.

Describe Area Affected and Cleanup Action Taken.*

A vacuum truck was called and recovered 210bbl of the spill, there is a small amount of iron sulfide on the ground inside the battery that will be picked up when the area dries out, and the area will be tested for TPH at that time, OCD will be notified 24hrs prior to testing. Ranking for this area is as follows: Depth to ground water-0, Wellhead protection area-0, distance to surface water-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: Dan Dolan	Approved by District Supervisor: TIM GUM by MB 	
Title: Environmental Regulatory Agent	Approval Date: MAR 03 2006	Expiration Date:
E-mail Address: ddolan@ypcnm.com	Conditions of Approval: 	Attached <input checked="" type="checkbox"/>
Date: 02-06-06 Phone: 748-4181		

* 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

March 3, 2006

Reference: Parish IV Battery (NDDUP 078) K-19-19s-25e API: 30-015-25732

Operator,

The New Mexico Oil Conservation Division District 2 (OCD) is in receipt of an Initial Report C-141 reporting a release of produced fluids at the above referenced site. The C-141 submitted indicates, "...small amount of iron sulfide on the ground inside the battery that will be picked up when area dries out, and area will be tested for TPH." Please commence delineation activities, to include but not limited to, testing for BTEX, no later than March 17, 2006. Please formulate and submit to the OCD, a work plan for remediation of contaminants present at this site. Work plan presented is to be formulated based on OCD guidelines, site ranking, and results of contaminant delineation at site. Please have this work plan submitted to the OCD no later than March 31, 2006.

- Notify OCD 24 hours prior to commencement of remediation or delineation activities
- Notify OCD 24 hours prior to obtaining samples where analysis of samples obtained are to be presented to the OCD
- Submit a Final Report C-141 upon satisfactory completion of project.

If for any reason the deadline dates listed above cannot be met, please contact me to discuss an extension of time.

Sincerely,

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