

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

OPERATOR

X Initial Report

Final Report

Name of Company	Yates Petroleum Corp.	Contact	Dan Dolan
Address	105 S. 4 th St., Artesia NM 88210	Telephone No.	748-4181
Facility Name	NDDUP Unit #76	Facility Type	Oil Well
Surface Owner	Fed	Mineral Owner	Fed
		Lease No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	20	19S	25E					Eddy

Latitude _ Longitude _

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	15bbl	Volume Recovered	1bbl
Source of Release	Flow line leak	Date and Hour of Occurrence	0730, 02-27-06	Date and Hour of Discovery	1230, 02-27-06
Was Immediate Notice Given?	Yes X No Not Required	If YES, To Whom?			
By Whom?	Date and Hour				
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.*

Hole in flow line, repaired. Vacuum Truck picked up 1bbl.

Describe Area Affected and Cleanup Action Taken.*

Area was 6'X8', and 3" deep, the soil will be removed, allowed to dry, and 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 NMOCDD 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 NMOCDD 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, NMOCDD 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	TIM GUM		
Title: Environmental Regulatory Agent	Approved by District Supervisor: by MB		
E-mail Address: ddolan@ypcnm.com	Approval Date: MAR 07 2006	Expiration Date: N/A	
Date: 03-03-06 Phone: 748-4181	Conditions of Approval:		Attached <input checked="" type="checkbox"/>

* 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 7, 2006

Reference: NDDUP Unit 076 L-20-19s-25e API: 30-015-26948

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, "...soil will be removed, allowed to dry, and OCD will be notified 24 hrs prior to testing."

Please commence activities no later than March 21, 2006. Please formulate and submit to the OCD, a work plan for remediation of contaminants present at this site. Work plan presented is to 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 April 4, 2006.

Note: This notification is for the release that occurred 2/27/06

- 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