

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

30-015-26630

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	Contact Sherry Bonham
Address 105 S 4th Street Artesia, NM 88210	Telephone No. 505.748.1471
Facility Name Cotton Draw AJT Federal 1 30 015 26630	Facility Type Battery

Surface Owner Federal	Mineral Owner Federal	Lease No.
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LOCATION OF RELEASE

Unit Letter E	Section 23	Township 24S	Range 31E	Feet from the 1980	North/South Line North	Feet from the 660	East/West Line West	County Eddy
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release Unknown	Volume Recovered 0
Source of Release Leaky Valve	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 12/13/05
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

RECEIVED

MAY 09 2006

DOB-ARTESIA

Describe Cause of Problem and Remedial Action Taken.*

Release was caused by a valve leaking on the produced water tank. The valve was replaced.

Describe Area Affected and Cleanup Action Taken.*

The valve was leaking water through a hose connected to the produced water tank and affected an approximate 30' X 20' area of the pad outside the berms.

The approximate 20' X 30' area was excavated, samples taken and sent for analysis (please review attached analysis report), contaminated soils removed to an OCD approved waste facility, and area backfilled with clean material.

Analytical Report Attached. Requesting final closure.

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>Mike Bonham</i>	
Title: Environmental Regulatory Agent Trainee		Approval Date: <i>6/2/06</i>	Expiration Date: <i>N/A</i>
E-mail Address: sherryb@ypcnm.com		Conditions of Approval: <i>N/A</i>	Attached <input type="checkbox"/>
Date: <i>May 9, 2006</i> Phone: <i>748-1471</i>			

* Attach Additional Sheets If Necessary