

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

JUL 21 2006

Form C-141
Revised October 10, 2003

OOO-ARTESIA

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company YATES PETROLEUM CORPORATION	OGRID Number 25575	Contact SHERRY BONHAM
Address 105 S 4 TH STREET		Telephone No. 505.748.1471
Facility Name MIMOSA AHS FEDERAL 3-Y	API Number 30 015 29123	Facility Type BATTERY

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

Unit Letter P	Section 4	Township 20S	Range 24E	Feet from the 635	North/South Line SOUTH	Feet from the 330	East/West Line EAST	County EDDY
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Latitude 32.59732 Longitude 104.58540

NATURE OF RELEASE

Type of Release PRODUCED WATER AND OIL	Volume of Release 1100 B/W AND 700 B/O	Volume Recovered 700 B/W AND 390 B/O
Source of Release SWD FIRE	Date and Hour of Occurrence 6/29/04 16:00	Date and Hour of Discovery 6/29/04 16:00
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? JERRY ON CALL OCD REPRESENTATIVE	
By Whom? JERRY FANNING, JR	Date and Hour 6/29/04 16:30	
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

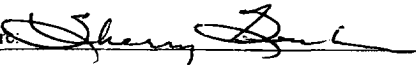

Describe Cause of Problem and Remedial Action Taken.*

THREE 500 BBL FIBERGLASS WATER TANKS, ONE 750 BBL FIBERGLASS GUN BARREL TANK AND ONE 500 BBL OIL TANK ALL LOST TO FIRE. LIGHTNING STRUCK TANK CAUSING A CHAIN REACTION FIRE WHICH SPREAD TO ADJACENT TANKS. FIRE DEPARTMENT CALLED AND RESPONDED. FIRE EXTINGUISHED AND SMALL AMOUNT OF FREE STANDING FLUID OUTSIDE OF BERM CONTAINED.

Describe Area Affected and Cleanup Action Taken.*

MAJORITY OF FLUID WHICH ESCAPED TANKS WHICH DID NOT BURN WAS CONTAINED WITHIN THE BERMED AREA AROUND THE TANKS. THIS FLUID WAS RECOVERED BY VACUUM TRUCK IN THE QUANTITIES REFLECTED ABOVE. SITE WILL BE EVALUATED AND APPROPRIATE CLEANUP INITIATED IMMEDIATELY.

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: Sherry Bonham		Approved by District Supervisor: TIM GUM by MB 	
Title: Environmental Regulatory Agent		Approval Date: 8/17/06	Expiration Date:
E-mail Address: sherryb@ypcnm.com		Conditions of Approval:	Attached <input type="checkbox"/>
Date: July 21, 2006		Phone: 505.748.1471	

* Attach Additional Sheets If Necessary