

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

APR 10 2008

OCDA/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

1. SEABO 1250983

NSEP00811250977

OPERATOR

X Initial Report

Final Report

Name of Company Yates Petroleum Corporation 25575	Contact Mike Stubblefield
Address 105 South 4 th Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712
Facility Name SRC "KZ" State Battery 30-015-22891	Facility Type Tank Battery

Surface Owner State	Mineral Owner State	Lease No. E-2781
---------------------	---------------------	------------------

LOCATION OF RELEASE

Unit Letter G	Section 1	Township 19s	Range 24e	Feet from the 2310'	North/South Line FNL	Feet from the 1650'	East/West Line FEL	County Eddy
------------------	--------------	-----------------	--------------	------------------------	-------------------------	------------------------	-----------------------	----------------

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced Oil.	Volume of Release 180 bbls Oil	Volume Recovered 100 bbls Oil
Source of Release Stock tank	Date and Hour of Occurrence 4/4/2008 am	Date and Hour of Discovery 4/4/2008 am
Was Immediate Notice Given? Yes X No Not Required	If YES, To Whom? NMOCD/Mike Bratcher	
By Whom? Mike Stubblefield	Date and Hour 4/4/2008 8:30am	
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 *

Full tank of Oil was turned in to be sold. The stock tank lost bottom sometime during the night. A vacuum truck was immediately called to the facility. The oil pooling in the lease road was recovered.

Describe Area Affected and Cleanup Action Taken.*

The impacted area was the lease road in front of the battery. The impacted area on the lease road measure 180' long with narrow flow paths and two main pooling areas measuring 25' wide. The area behind the stock tanks was impacted with a pooling area measuring 30'x15'. The stock tank was removed from the battery area. The impacted soil has been excavated from the lease road & tank battery area. Removed soils were placed on a liner set on the location. The saturated soil will be removed to and OCD approved solid waste disposal facility. Soil samples will be taken for analytical from the impacted areas. Soil samples will be sent to a second party lab & analysis ran for TPH & B-TEX. If the initial analytical results find the TPH & B-TEX to be over the RRAI. A work plan will be submitted to OCD for the correction of the hydrocarbons. When Analytical results reflect the TPH & B-tex to be under the RRAI. A final C-141 form will be submitted to the OCD requesting closure for the release that occurred on 4/4/2008.

Depth to ground water > 100'. Wellhead protection area > 1000'. Distance to surface water body > 1000' Site ranking 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

OIL CONSERVATION DIVISION

Signature: ma Stubblefield

Printed Name Mike Stubblefield

Title, Environmental Regulatory Agent

E-mail Address: mikes@ypcnm.com

Date: 4/10/2008

Phone 505-748-4500

Approved by District Supervisor

T. Cum by SB

Approval Date 4-21-08

Expiration Date

Conditions of Approval.

Attached ☒

REMEDIATION REQUIREMENTS

* Attach Additional Sheets If Necessary

2RP 159