

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

NMLB 10336 38700

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Skuzie XL Com. #1	API Number 30-015-20922	Facility Type Battery

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

Unit Letter B	Section 11	Township 18S	Range 25E	Feet from the 660	North/South Line North	Feet from the 1980	East/West Line East	County Eddy
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Latitude 32.76790 Longitude 104.45283


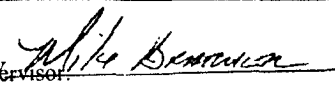
NATURE OF RELEASE

Type of Release Oil	Volume of Release 56 B/O	Volume Recovered 0 B/O
Source of Release Production tank	Date and Hour of Occurrence 6/30/2010, AM	Date and Hour of Discovery 6/30/2010, AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD Artesia	
By Whom? Robert Asher/YPC Environmental	Date and Hour 7/7/2010, AM (voicemail & e-mail)	
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.* Hole in bottom of production tank.

Describe Area Affected and Cleanup Action Taken.* An approximate area of 15' X 15'. No oil to recover. Production tank pulled and will conduct vertical/horizontal delineation to determine extent of impacted soils. Samples will be tested for TPH & BTEX. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL a work plan will be submitted to the OCD. Depth to Ground Water: >100' (approx. 168', Section 10, T18S-R25E, approx. 200', Section 12, T18S-R25E, per New Mexico Office of the State Engineer), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on analytical results, impacted soils excavated/disposed at an NMOCD approved facility, Yates Petroleum Corporation requests 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: 	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by District Supervisor: 	
Title: Environmental Regulatory Agent	Approval Date: DEC 09 2010	Expiration Date: N/A
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: Final	Attached <input type="checkbox"/>
Date: Thursday, December 09, 2010	Phone: 575-748-4217	2RP-488

* Attach Additional Sheets If Necessary