

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1361 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

*nkmw 1109440928*

OPERATOR		<input checked="" type="checkbox"/> Initial Report	<input type="checkbox"/> Final Report
Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher	
Address 104 S. 4 <sup>TH</sup> Street		Telephone No. 505-748-1471	
Facility Name Graham AKB State #4	API Number 30-015-31605	Facility Type Flowline	
Surface Owner State	Mineral Owner State	Lease No. V-2705	

### LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	2	21S	31E	1980'	North	1650'	West	Eddy

Latitude 32.42221 Longitude 103.74493

### NATURE OF RELEASE

Type of Release Oil & Produced Water	Volume of Release 7 B/O & 15 B/PW	Volume Recovered 0 B/O & 0 B/PW
Source of Release Flowline	Date and Hour of Occurrence 7/18/2009; AM	Date and Hour of Discovery 7/18/2009; AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour N/A	
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.* Flowline ruptured (this release occurred between the Graham AKB State #4 and the Graham AKB State #3 off of the east side of the lease road). Shut well down, isolated line, called for a backhoe and cleanup crew.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 50' X 50'. Repaired line. Impacted soils excavated/hailed to an NMOCD facility. Vegetation sprayed/washed with Microblaze. Vertical/horizontal delineation samples will be taken and analysis ran for TPH/BTEX. Delineation for chlorides will be performed for documentation and to show decreasing levels if possible. If initial analytical results for TPH/BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. Depth to Ground Water: >100' (approx. 448', per the NM Office of the State Engineer), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 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: <i>Robert Asher</i>	Approved by District Supervisor: Signed By: <i>Mike Brannon</i>	
Printed Name: Robert Asher	Approval Date: <u>4/4/11</u>	Expiration Date:
Title: Environmental Regulatory Agent	Conditions of Approval:	
E-mail Address: boba@yatespetroleum.com	Attached <input type="checkbox"/>	
Date: Thursday, July 30, 2009 Phone: 505-748-4217	REMEDATION per OCD Rules and Guidelines. SUBMIT REMEDIATION PROPOSAL BY: <u>5/4/11</u>	

\* Attach Additional Sheets If Necessary

2RP-694