

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

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. 505-748-1471 | |
| Facility Name Amoco ANY State #3 | API Number 30-025-26290- <i>26420</i> | Facility Type Flow Line |
| Surface Owner State | Mineral Owner State | Lease No. L-0905 |

LOCATION OF RELEASE

| | | | | | | | | |
|--------------------------|---------------|-----------------|--------------|----------------------|---------------------------|-----------------------|------------------------|---------------|
| Unit Letter <i>NE</i> | Section 10 | Township 18S | Range 35E | Feet from the 550 | North/South Line North | Feet from the 1651 | East/West Line West | County Lea |
|--------------------------|---------------|-----------------|--------------|----------------------|---------------------------|-----------------------|------------------------|---------------|

Latitude 32.76806 Longitude 103.44794

NATURE OF RELEASE

| | | |
|---|--|--|
| Type of Release Crude Oil & Produced Water | Volume of Release 6 B/O & 4 B/PW | Volume Recovered 4 B/O & 3 B/PW |
| Source of Release Stock Tank | Date and Hour of Occurrence 5/16/2006 - AM | Date and Hour of Discovery 5/16/2006 - 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.* Hole in steel flow line caused by corrosion. Steel flow line replaced with 3" poly pipe. | | |
| Describe Area Affected and Cleanup Action Taken.* An approximate area of 25' X 30', on well pad. Well shut in, vacuum truck was called to pick up standing fluid, contaminated soil was excavated and hauled to land farm. SITE RANKING IS 10. | | |
| I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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>Robert Asher</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Robert Asher | Approved by District Supervisor: | |
| Title: Environmental Regulatory Agent | Approval Date: | Expiration Date: |
| E-mail Address: boba@ypcnm.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: Friday, May 26, 2006 | Phone: 505-748-1471 | |

* Attach Additional Sheets If Necessary

incident - NPAC065628947
application - PPAC0656