

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

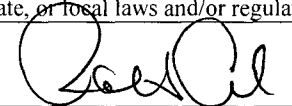

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher	<input checked="" type="checkbox"/> Initial Report	<input checked="" type="checkbox"/> Final Report
Address 104 S. 4 TH Street		Telephone No. 505-748-1471		
Facility Name Yarrow BHY State #1	API Number 30-025-37561	Facility Type Well		
Surface Owner State	Mineral Owner State	Lease No. VO-6276		

LOCATION OF RELEASE

Unit Letter A	Section 32	Township 23S	Range 33E	Feet from the 990	North/South Line North	Feet from the 990	East/West Line East	County Lea
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Latitude 32.26554 Longitude 103.58846

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release 1 Gallon/O & 12 B/PW	Volume Recovered 0 B/O & 0 B/PW
Source of Release Pumping Unit	Date and Hour of Occurrence 7/15/2007 - AM	Date and Hour of Discovery 7/15/2007 - 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.* Packing from stuffing box plugged back pressure valve, causing box to pressure up, Enviro-pot failed to stop unit. Well shut down to remedy the problem. Equipment called to cleanup area affected.		
Describe Area Affected and Cleanup Action Taken * An approximate area of 2' X 50', all on the well pad. Backhoe called and scraped up contaminated soils, soils hauled to an OCD approved land disposal facility. Micro Blaze raked into and around release area. Depth to Ground Water: >100'; Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 0. With amounts released and cleanup actions taken, 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: <u>7.27.07</u>	Expiration Date: <u>N/A</u>
E-mail Address: boba@ypcnm.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Monday, July 23, 2007	Phone: 505-748-1471	

* Attach Additional Sheets If Necessary

RP# 1502