

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	GRID Number 25575	Contact SHERRY BONHAM
Address 105 S 4 TH STREET		Telephone No. 505.748.1471
Facility Name SANMAY QUEEN UNIT #5	API Number 30-025-29569	Facility Type WELL
Surface Owner STATE	Mineral Owner STATE	Lease No. LG-3345

LOCATION OF RELEASE

Unit Letter I	Section I	Township 17S	Range 33E	Feet from the 1650	North/South Line SOUTH	Feet from the 990	East/West Line EAST	County LEA
------------------	--------------	-----------------	--------------	-----------------------	---------------------------	----------------------	------------------------	---------------

Latitude 32.86103 Longitude 103.61077

NATURE OF RELEASE

Type of Release PRODUCED WATER AND BASIC SEDIMENT	Volume of Release 40 B/PW & BS	Volume Recovered 30 B/PW & BS
Source of Release TANKS OVERFLOW	Date and Hour of Occurrence 04/01/07 4:00 PM	Date and Hour of Discovery 04/01/07 4:00 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? PAT CAPERTON, NMOC DIST I VIA VOICE MAIL AND FOLLOW UP E-MAIL	
By Whom? SHERRY BONHAM	Date and Hour 04/02/07 10:25 AM	
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.*

WATER TRANSFER PUMP HAD SHORT IN PANEL RESULTING IN TANKS RUNNING OVER REPAIRED.

Describe Area Affected and Cleanup Action Taken.*

AN APPROXIMATE 60' X 80' AREA WAS IMPACTED BY RELEASE. SITE TO BE EVALUATED.

Depth to Ground Water >100'; Wellhead protection? NO; Distance to Surface Water. 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 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.

OIL CONSERVATION DIVISION

Signature <u>Sherry Bonham</u>	Approved by District Supervisor: <u>ENDRE ENER</u>	
Printed Name: Sherry Bonham	Approval Date <u>4.13.07</u>	Expiration Date <u>6.13.07</u>
Title: Environmental Regulatory Agent	Conditions of Approval:	
E-mail Address: sherryb@ypenm.com	Attached <input type="checkbox"/>	
Date: April 11, 2007	Phone: 505.748.1471	

* Attach Additional Sheets If Necessary

AP#1288