

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 ResourcesOil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505Form C-141
Revised October 10, 2003Submit 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 SHERRY BONHAM
Address 105 S 4 TH STREET		Telephone No. 505.748.1471
Facility Name SANMAL 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 1	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

WTR 130'

NATURE OF RELEASE

Type of Release PRODUCED WATER	Volume of Release 20 B/PW	Volume Recovered 15 B/PW
Source of Release TANK OVERFLOW	Date and Hour of Occurrence 7/3/07 PM	Date and Hour of Discovery 7/3/07 PM
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

PRODUCED WATER 126,000 PPM

Describe Cause of Problem and Remedial Action Taken.*

WATER PUMP HAD LEAK ON THE CONNECTION ON THE SUCTION LINE. REPAIRS MADE


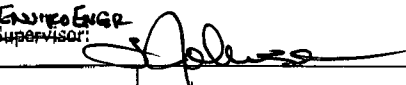
Describe Area Affected and Cleanup Action Taken.*

AN APPROXIMATE 25' X 100' AREA WAS IMPACTED BY RELEASE. VACUUMED STANDING FLUIDS. REMEDIATION ACTIONS TO BE DETERMINED.

Depth to Ground Water: >100'; Wellhead protection area? 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 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: 	Approved by District Supervisor: 	
Printed Name: Sherry Bonham	Approval Date: <u>8-9-07</u>	Expiration Date: <u>10-9-07</u>
Title: Environmental Regulatory Agent	Conditions of Approval:	
E-mail Address: sherryb@ypenm.com	Attached <input type="checkbox"/>	
Date: July 16, 2007	Phone: 505.748.1471	

OBTAIN VERICAL INFO

* Attach Additional Sheets If Necessary

2 SUBMIT TO OCD BY

RP#1522