

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

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MAY 23 2008
OCD-ARTESIA

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

SEP 08 15548705
NSEP 08 15548474

OPERATOR

X Initial Report

Final Report

Name of Company Yates Petroleum Corporation 25575	Contact Mike Stubblefield
Address 105 South 4 th Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712
Facility Name Dee 36 State Battery 30-015-21881	Facility Type Tank Battery

Surface Owner Eec STATE	Mineral Owner State	Lease No.
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LOCATION OF RELEASE

Unit Letter J	Section 36	Township 19s	Range 24e	Feet from the 1980'	North/South Line FSL	Feet from the 1980'	East/West Line FEL	County Eddy
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Latitude 32.61543 Longitude 104.53853

NATURE OF RELEASE

Type of Release Oil & produced water	Volume of Release 1 Oil 14 bbls produced water	Volume Recovered 13 produced water
Source of Release stock tank	Date and Hour of Occurrence 5/13/2008 am	Date and Hour of Discovery same
Was Immediate Notice Given? Yes No X Not Required	If YES, To Whom	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

The water pump failed to run due to a faulty relay inside of the panel. A vacuum truck was immediately called to the tank battery, five fluids were recovered.

Describe Area Affected and Cleanup Action Taken.*

The release area was located in the bermed area of the tank battery. The bermed area was not lined. The impacted area was measured to be 15' x 30'. The saturated soil located with-in the bermed area of the battery was excavated. Removed soils were hauled to Lea Land Inc. Soil samples will be taken for analytical from the excavated area. Soil samples will be sent to a second party lab & analysis ran for TPH & B-TEX and Chlorides. If the initial analytical results find the TPH & B-TEX to be over the RRAL. A work plan will be submitted to OCD for the correction of the hydrocarbons. When Analytical results reflect the TPH & B-tex to be under the RRAL. A final C-141 form will be submitted to the OCD requesting closure for the release that occurred on 5/13/2008. Final analytical results for the Chlorides will be evaluated and appropriate actions taken.

Depth to ground water > 100', Wellhead protection area > 1000', Distance to surface water body > 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: <u>Mike Stubblefield</u>	Approved by District Supervisor: <u>Team by SB</u>
Printed Name: Mike Stubblefield	Approval Date: <u>6-3-08</u> Expiration Date: <u>8-4-08</u>
Title: Environmental Regulatory Agent	Conditions of Approval: <u>REMEDIATION COMPLETION, FINAL C-141, and SUPPORTING SOIL ANALYTICAL DATA TO BE SUBMITTED BY</u>
E-mail Address: mikes@ypcnm.com	Attached <input type="checkbox"/> <u>2RP-175</u>
Date: 5/21/2008 Phone: 505-748-4500	

* Attach Additional Sheets If Necessary
SEP 08 15549741