

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

SEB0825941223
NSEB0825941031

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 New Mexico DE State Com. #1 | API Number 30-015-24122 | Order Number 2RP- |

| | | |
|------------------------|------------------------|---------------------|
| Surface Owner State | Mineral Owner State | Lease No. V-0446 |
|------------------------|------------------------|---------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|-----------------|--------------|-----------------------|---------------------------|----------------------|------------------------|----------------|
| Unit Letter L | Section 19 | Township 19S | Range 24E | Feet from the 1980 | North/South Line South | Feet from the 330 | East/West Line West | County Eddy |
|------------------|---------------|-----------------|--------------|-----------------------|---------------------------|----------------------|------------------------|----------------|

Latitude 32.65161 Longitude 104.62956

NATURE OF RELEASE

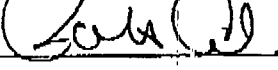
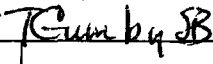
| | | |
|---|--|---|
| Type of Release Produced Water | Volume of Release 5 B/PW | Volume Recovered 0 B/PW |
| Source of Release Produced water tank | Date and Hour of Occurrence 8/29/2008, AM | Date and Hour of Discovery 8/29/2008, AM |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input 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.* Connection on back of produced water tank began leaking. Crew called and replaced fitting. | | |

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 5' X 10'. No produced water to recover. Contaminated soils scraped up and hauled to an OCD approved facility. Depth to Ground Water: >100' (approx. 480' per New Mexico Office of the State Engineer), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on amount released, soils scraped up/hauled and depth to ground water, 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 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:  | Approved by District Supervisor:  | |
| Printed Name: Robert Asher | Approval Date: 9-15-08 | Expiration Date: N/A |
| Title: Environmental Regulatory Agent | Conditions of Approval: N/A | |
| E-mail Address: boba@ypcnm.com | Attached <input type="checkbox"/> N/A | |
| Date: Monday, September 08, 2008 | Phone: 505-748-1471 | |

* Attach Additional Sheets If Necessary

cc: WellFile

2RP-221

New Mexico Office of the State Engineer
Point of Diversion Summary

Back

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

| POD Number | Tws | Rng | Sec | q | q | q | Zone | X | Y |
|------------|-----|-----|-----|---|---|---|------|---|---|
| RA 07466 | 19S | 23E | 13 | 2 | | | | | |

Driller Licence: 421 GLENN'S WATER WELL SERVICE

Driller Name:

Source: Shallow

Drill Start Date: 03/19/1986

Drill Finish Date: 03/20/1986

Log File Date: 03/25/1986

PCW Received Date:

Pump Type:

Pipe Discharge Size:

Casing Size: 7

Estimated Yield: 100

Depth Well: 627

Depth Water: 480

| Water Bearing | Stratifications: | Top | Bottom | Description |
|---------------|------------------|-----|--------|---------------|
| | | 484 | 627 | Other/Unknown |
