

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

RECEIVED

AUG 17 2009

HOBBSOCD

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	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 <sup>TH</sup> Street		Telephone No. 505-748-1471
Facility Name Lucille BKU State Com. #1	API Number 30-025-38593	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VB-1195
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LOCATION OF RELEASE

Unit Letter B	Section 5	Township 12S	Range 32E	Feet from the 660	North/South Line North	Feet from the 1980	East/West Line East	County Lea
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Latitude 33.31315 Longitude 103.73762

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 65 B/PW	Volume Recovered 65 B/PW
Source of Release Water Tank	Date and Hour of Occurrence 8/10/2009, PM	Date and Hour of Discovery 8/11/2009, AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson/NMOCD Hobbs (Voicemail & e-mail)	
By Whom? Robert Asher/YPC Environmental	Date and Hour 8/11/2009, 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		

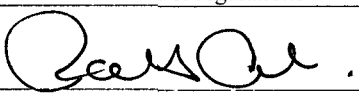
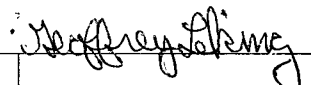
Describe Cause of Problem and Remedial Action Taken.\*  
Lightning struck produced water tank, causing release. Vacuum truck and crew called.

GW(9) 28-30<sup>1</sup>

Describe Area Affected and Cleanup Action Taken.\*

An approximate area of 40' X 24'. All within bermed and lined tank battery. Vacuum truck picked up produced water; crew removed lightning struck tank and impacted gravel, hauled to NMOCD approved facility. Because of a 20 mil. liner installed, no further actions needed. **Depth to Ground Water: >100' (approx. 110' per the New Mexico, Section 8, T12S-R32E), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on battery being lined and liner intact, all produced water recovered, 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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Robert Asher	ENV. ENGINEER	
Title: Environmental Regulatory Agent	Approved by District Supervisor: 	
E-mail Address: boba@yatespetroleum.com	Approval Date: 09/28/09	Expiration Date: -
Date: Friday, August 14, 2009	Conditions of Approval: WATER(9) 28-30 <sup>1</sup>	Attached <input type="checkbox"/>
Phone: 505-748-4217	1RP-09.09.2282	

\* Attach Additional Sheets If Necessary

FGRL 0927154096