

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

nkmw 1107540712

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. 575-748-1471	
Facility Name Mimosa Federal SWD #3Y	API Number 30-015-32896	Facility Type Battery
Surface Owner Federal	Mineral Owner Federal	Lease No. NM-39635

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	4	20S	24E	635'	South	330'	East	Eddy

Latitude 32.59732 Longitude 104.58540

NATURE OF RELEASE

Type of Release Oil	Volume of Release 20 B/O	Volume Recovered 0 B/O
Source of Release Sales Line	Date and Hour of Occurrence 2/20/2011; AM	Date and Hour of Discovery 2/20/2011; 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.*
Sales line collar came apart to cause release. Shut in valves and line was repaired.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 30' X 500' (outside of battery). No oil was recovered. Entire release area has been sprayed with Microblaze. Vertical and horizontal delineation samples have been taken (3/9/2011) and analysis to be run for TPH & BTEX. Based on results a work plan will be submitted to address remedial actions to be taken. Depth to Ground Water: >100' (approximately 268', per NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: 200-1000', SITE RANKING IS 10.

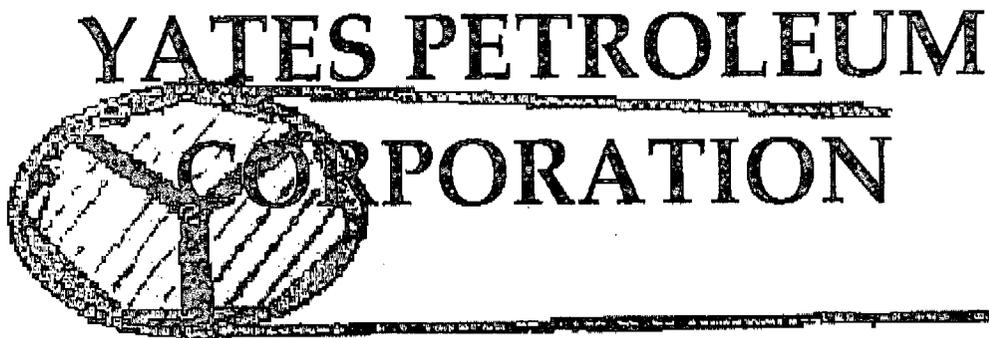
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger 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: <i>Robert Asher</i>	SIGNED BY <i>Mike Brannon</i>	
Printed Name: Robert Asher	Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: <i>3/16/11</i>	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: Attached <input type="checkbox"/>	
Date: Wednesday, March 09, 2011 Phone: 575-748-4217	REMEDATION per OCD Rules and Guidelines. SUBMIT REMEDIATION PROPOSAL BY: <i>4/16/11</i>	

* Attach Additional Sheets If Necessary

2 RP-643



FACSIMILE TRANSMITTAL SHEET

TO: Mike Bratcher	FROM: Robert Asher
FAX NUMBER: 9-748-9720	DATE: Wednesday, March 09, 2011
COMPANY: NMOCD	TOTAL NO. OF PAGES INCLUDING COVER: 2
RE: C-141; Mimosa Federal SWD #3Y	NOTES/COMMENTS: Initial Report (2/20/2011 Release)

URGENT
 FOR REVIEW
 PLEASE COMMENT
 PLEASE REPLY
 PLEASE RECYCLE

ADDITIONAL NOTES & COMMENTS:

Call me if you have any questions, 575-748-4217.

Thank you.

Robert Asher

Environmental Regulatory Department