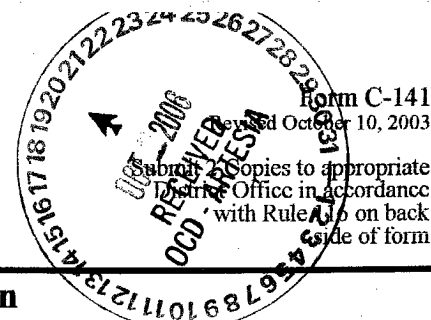


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



30-015-20054

Release Notification and Corrective Action

nmlb0629948878

OPERATOR

X Initial Report ☐ Final Report

Name of Company Yates Petroleum Corporation	Contact Mike Stubblefield
Address 105 S. 4 th Street, Artesia, N.M. 88210	Telephone No. 505-748-4500
Facility Name Johnston "BE" Battery	Facility Type 6" pvc gas line.

Surface Owner State	Mineral Owner	Lease No.
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LOCATION OF RELEASE

Unit Letter A	Section 8	Township 19s	Range 25e	Feet from the 330'	North/South Line FNL	Feet from 330'	East/West Line FEL	County Eddy
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Latitude 32.68195 Longitude 104.49891

NATURE OF RELEASE

Type of Release Gas	Volume of Release Unknown	Volume Recovered 0
Source of Release 6" pvc gas line leak.	Date and Hour of Occurrence unknown	Date and Hour of Discovery 10/13/2006
Was Immediate Notice Given? X Yes No Not Required	If YES, To Whom? O.C.D. by after hour's voice mail.	
By Whom? Mike Stubblefield	Date and Hour 10/13/2006 4:35 pm.	
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 6" pvc gas line was shut in & the pressure bleed off. The area of the release was dug out & impacted soil was placed on a liner in working area.

Describe Area Affected and Cleanup Action Taken.*

The affected area is located est. 200 yds due north of the Johnson tank battery. A section of the pipeline est. to be 200' in length will be replaced with new pvc pipe. The impacted soils from the release will be excavated & placed on a liner in a bio-cell. The impacted soils will be treated by aerating the soils. Soil samples for final analytical will be taken in the excavated area & in the bio-cell. When analytical results are under the RRAI for the area in the excavated area of the pipeline & the bio-cell. The remediate soils will be used as backfill & the excavated area filled back to grade. A final report with attached analytical results will be submitted to O.C.D. requesting closure for the release that occurred on 10/13/2006.

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.

Signature: <i>Mike Stubblefield</i>		OIL CONSERVATION DIVISION	
Printed Name: Mike Stubblefield		Approved by District Supervisor: TIM GUM by MB <i>Mike Stubblefield</i>	
Title: Environmental Regulatory Agent		Approval Date: 10/27/06	Expiration Date:
E-mail Address: mikes@ypcnm.com		Conditions of Approval: Remediation per NMOCD Rules & Guidelines	Attached <input type="checkbox"/>
Date: 10/20/06	Phone: 505-513-1712		

* Attach Additional Sheets if Necessary