District 1
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

JUL 10 2008 OCD-ARTESIA Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Form C-141

Revised October 10, 2003

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

Release Notification and Corrective Action i GEG 0735 45 1410 nGEG0735451350 **OPERATOR** Initial Report Final Repor OGRID Number Name of Company Contact Yates Petroleum Corporation 25575 Robert Asher Address Telephone No. 104 S 4<sup>TH</sup> Street 505-748-1471 Facility Name Facility Type API Number Salt Grass WS Federal #1 30-005-61945 Battery Surface Owner Mineral Owner Lease No. State State NM-38476 LOCATION OF RELEASE North/South Line Unit Letter Section Township Feet from the Feet from the East/West Line Range County 1 26 27E 1980 South 660 East Chaves Latitude 33.07216 Longitude 104.19913 NATURE OF RELEASE Type of Release Volume of Release Volume Recovered Condensate & Produced Water 70 B/C & 10 B/PW 0 B/C & 0 B/PW Source of Release Date and Hour of Occurrence Date and Hour of Discovery Stock tank 12/17/2007 - PM 12/17/2007 - PM Was Immediate Notice Given? If YES, To Whom? Mike Bratcher, OCD. District II (Voicemail & E-mail) By Whom? Date and Hour 12/17/2007, 4:20 PM Robert Asher, Yates Petroleum Corporation If YES, Volume Impacting the Watercourse Was a Watercourse Reached? ☐ Yes 🖾 No If a Watercourse was Impacted, Describe Fully.\* Describe Cause of Problem and Remedial Action Taken.\* Drain valve froze and broke on stock tank causing release Crew called to start picking up contaminated soils Describe Area Affected and Cleanup Action Taken.\* An approximate area of 18' X 20' (inside battery), 18' X 35' (well pad) & 2' X 50' (north side of lease road). Contaminated soils have been excavated and disposed at an OCD approved facility. Vertical and horizontal delineation will be made and corrective action taken. Remediation work complete per work plan. Depth to Ground Water: 50'-99' (approximately 75' per trend map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. Based on remediation work, enclosed analytical report(s), 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 OIL CONSERVATION DIVISION Signature: Approved by District Supervisor. TGum by SB Printed Name Robert Asher Expiration Date MA Approval Date. 8408 Title Environmental Regulatory Agent E-mail Address: boba@ypcnm.com Conditions of Approval

\* Attach Additional Sheets If Necessary

Phone. 505-748-4217

Date: Friday, July 11, 2008

2RP-204