

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

JUL 18 2008  
OCD-ARTESIA

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

SEB 0821948010  
n SEB 0821947882

OPERATOR

X Initial Report Final Report

Name of Company Yates Petroleum Corporation	25575	Contact Mike Stubblefield
Address 105 South 4 <sup>th</sup> Street, Artesia, N.M. 88210		Telephone No. 505-7484500 505-513-1712
Facility Name Knoll AOK Federal #1	30 015 28127	Facility Type PW gathering line.

Surface Owner Federal	Mineral Owner	Lease No.
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LOCATION OF RELEASE

Unit Letter G	Section 3	Township 24s	Range 29e	Feet from the 1980'	North/South Line FNL	Feet from the 1980'	East/West Line FEL	County Eddy
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Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

NATURE OF RELEASE

Type of Release: Produced water	Volume of Release 50 B/PW	Volume Recovered 0 B/PW
Source of Release 8" water line west of the knoll AOK Federal #1	Date and Hour of Occurrence 7/7/2008	Date and Hour of Discovery same
Was Immediate Notice Given? Yes X No Not Required	If YES, To Whom? NMOCD/Mike Bratcher's	
By Whom? Mike Stubblefield	Date and Hour 7/7/2008 2:10pm	
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.  
Pipeline split, looked like a manufacture defect. The line was repaired and placed back into service.

Describe Area Affected and Cleanup Action Taken.\*  
The impacted area was the waterline right away. Soil samples will be taken from the impacted area. Soil samples will be submitted to a second party lab and analysis ran for Chlorides using EPA Method 300. When the analytical report is received from initial soil samples taken, the Chlorides will be evaluated and appropriate actions taken. Yates Petroleum Corporation will then submit a final C-141 form requesting closure for the release that occurred on 5/30/2008. 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: <i>T. Gumbly</i>	Remediation Actions to be completed and final C-141 submitted with confirmation analyses/documentation on or before the Expiration Date
Title: Environmental Regulatory Agent	Approval Date: 9-24-08	Expiration Date: 11-24-08
E-mail Address: mikes@ypcnm.com	Conditions of Approval: SEE ATTACHED STIPULATIONS	Attached <input checked="" type="checkbox"/>
Date: 7/18/2008 Phone: 505-748-4500		

\* Attach Additional Sheets If Necessary

SEB 0821948095

2RP-210  
Notify OCD 48 hours prior to  
obtaining samples where analyses  
are to be presented to OCD