

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

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. 505-748-1471	
Facility Name Lusk AHB Federal #2	API Number 30-025-31042	Facility Type Flow Line
Surface Owner Federal	Mineral Owner Federal	Lease No. NM-59392

LOCATION OF RELEASE


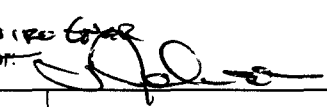
Unit Letter G	Section 35	Township 19S	Range 32E	Feet from the 1930	North/South Line North	Feet from the 1650	East/West Line East	County Lea
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Latitude 32.61852 Longitude 103.73323

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 10 B/PW	Volume Recovered 9 B/PW
Source of Release Water Line	Date and Hour of Occurrence 3/2/2007 AM	Date and Hour of Discovery 3/2/2007 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.* Contractor cut water line with back hoe, causing spill. Well shut down, flow line repaired.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 6' X 6'. Standing fluids picked up. Contaminated soils were excavated and removed to an OCD approved land facility, vertical and horizontal delineation will be made and corrective action taken. Depth to Ground Water: >100', Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0.		

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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: 	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by District Supervisor: 	
Title: Environmental Regulatory Agent	Approval Date: <u>3-19-07</u>	Expiration Date: _____
E-mail Address: boba@ypcnm.com	Conditions of Approval: _____	Attached <input type="checkbox"/>
Date: Monday, March 12, 2007 Phone: 505-748-1471		

* Attach Additional Sheets If Necessary

incident - nPAC 0707848679
application - pPAC 0707848741

RP# 1230