

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

Form C-141
Revised October 10, 2003

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

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 #5	API Number 30-025-31151	Facility Type Flow Line

Surface Owner Federal	Mineral Owner Federal	Lease No. NM-59392
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LOCATION OF RELEASE

Unit Letter B	Section 35	Township 19S	Range 32E	Feet from the 330	North/South Line North	Feet from the 1980	East/West Line East	County Lea
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Latitude 32.62302 Longitude 103.73429

NATURE OF RELEASE

Type of Release Produced Water & Oil	Volume of Release 5 B/PW & 4 B/O	Volume Recovered 0 B/PW & 1 B/O
Source of Release Water Line	Date and Hour of Occurrence 5/2/2006 AM	Date and Hour of Discovery 5/2/2006 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.*
Flow line rotted, causing spill. Pumping unit shut down, flow line isolated for repairs. **CHLORIDES**

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 12' X 6'. Contaminated soils were excavated, hauled to an OCD approved land farm. Area to be evaluated **SITE RANKING IS 0**, based on Trend Map. **With analytical results (enclosed), 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.

Signature:	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	ACCEPTED ENV 125 GUEE Approved-by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: 6-27-07	Expiration Date: 8-30-07
E-mail Address: boba@ypcnm.com	Conditions of Approval.	Attached <input type="checkbox"/>
Date: Monday, September 25, 2006	Phone: 505-748-1471	SUBMIT DOCUMENTATION

* Attach Additional Sheets If Necessary

application - pPAC0613126376 (SEE NEXT PAGE) **RP#863**

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S.P. YATES
CHAIRMAN EMERITUS

JOHN A. YATES
CHAIRMAN OF THE BOARD

PEYTON YATES
PRESIDENT

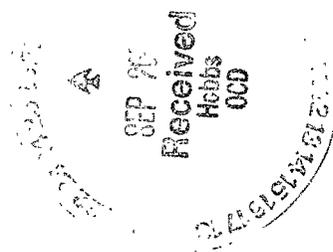
FRANK YATES, JR.
EXECUTIVE VICE PRESIDENT

JOHN A. YATES, JR.
SENIOR VICE PRESIDENT

September 25, 2006

Ms. Patricia Caperton
NMOCD District I
1625 French Drive
Hobbs, NM 88240

RE: Lusk AHB Federal #5
30-025-31151
Section 35, T19S-R32E
Lea County, New Mexico



Dear Ms. Caperton,

Enclosed, please find a C-141 Final Report, Analytical Reports for sampling conducted on September 13, 2006, and a sample diagram. With the analytical results, Yates Petroleum Corporation requests closure of the site.

If you have any questions, please call me at 505-748-4217.

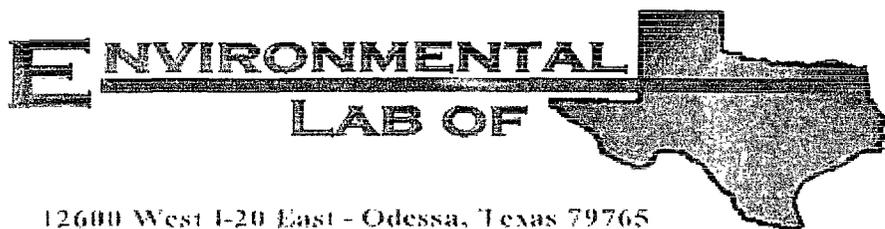
Thank you.

YATES PETROLEUM CORPORATION

Robert Asher
Environmental Regulatory Agent

/rca
Enclosure(s)

- NO CHAIN OF CUSTODY
- 1ST NON DETECT EVER SUBMITTED
- DEPTH OF SAMPLE TAKEN
- LRP# ? 863



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Robert Asher

Yates Petroleum Corp.

105 S. Fourth St.

Artesia, NM 88210

Project: Lusk AHB Federal #5

Project Number: 30-025-31151

Location: Lea County, NM

Lab Order Number: 6115002

Report Date: 09/21/06

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Lusk AHB Federal #5
Project Number: 30-025-31151
Project Manager Robert Asher

Fax: (505) 748-4662

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
GS1.0- 001	6I15002-01	Soil	09/13/06 10:20	09-15-2006 09:45
GS1 0- 002	6I15002-02	Soil	09/13/06 10:40	09-15-2006 09:45
GS1.0- 003	6I15002-03	Soil	09/13/06 10:53	09-15-2006 09:45

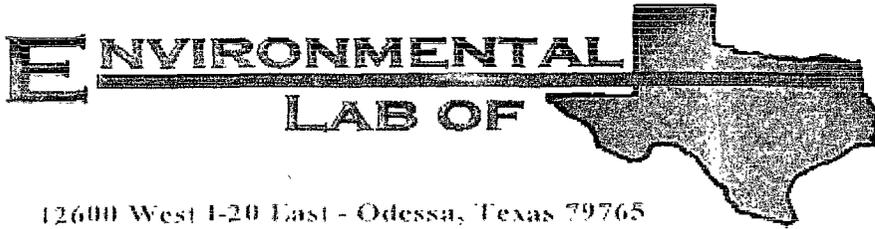
Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Lusk AHB Federal #5
Project Number 30-025-31151
Project Manager: Robert Asher

Fax (505) 748-4662

General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
GS1.0- 001 (6115002-01) Soil									
Chloride	ND	20.0	mg/kg Wet	2	EI61817	09/18/06	09/18/06	SW 846 9253	
GS1.0- 002 (6115002-02) Soil									
Chloride	ND	20.0	mg/kg Wet	2	EI61817	09/18/06	09/18/06	SW 846 9253	
GS1.0- 003 (6115002-03) Soil									
Chloride	ND	20.0	mg/kg Wet	2	EI61817	09/18/06	09/18/06	SW 846 9253	



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Robert Asher

Yates Petroleum Corp.

105 S. Fourth St.

Artesia, NM 88210

Project: Lusk AHB Federal #5

Project Number: 30-025-31151

Location: Lea County, NM

Lab Order Number: 6115002

Report Date: 09/21/06

Yates Petroleum Corp.
105 S Fourth St
Artesia NM, 88210

Project Lusk AHB Federal #5
Project Number: 30-025-31151
Project Manager Robert Asher

Fax: (505) 748-4662

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
GS1.0- 001	6115002-01	Soil	09/13/06 10:20	09-15-2006 09:45
GS1.0- 002	6115002-02	Soil	09/13/06 10:40	09-15-2006 09:45
GS1.0- 003	6115002-03	Soil	09/13/06 10:53	09-15-2006 09:45

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Lusk AHB Federal #5
Project Number 30-025-31151
Project Manager Robert Asher

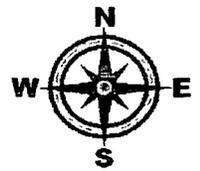
Fax (505) 748-4662

Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
GS1.0- 001 (6I15002-01) Soil									
Benzene	ND	0.0250	mg/kg dry	25	EI61509	09/15/06	09/15/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
<i>Surrogate: a,a,a-Trifluorotoluene</i>		95.5 %		80-120	"	"	"	"	
<i>Surrogate: 4-Bromofluorobenzene</i>		81.2 %		80-120	"	"	"	"	
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	EI61506	09/15/06	09/16/06	EPA 8015B	
Carbon Ranges >C10-C28	ND	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		100 %		70-130	"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		99.0 %		70-130	"	"	"	"	
GS1.0- 002 (6I15002-02) Soil									
Benzene	ND	0.0250	mg/kg dry	25	EI61509	09/15/06	09/15/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
<i>Surrogate: a,a,a-Trifluorotoluene</i>		90.5 %		80-120	"	"	"	"	
<i>Surrogate: 4-Bromofluorobenzene</i>		81.2 %		80-120	"	"	"	"	
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	EI61506	09/15/06	09/16/06	EPA 8015B	
Carbon Ranges >C10-C28	ND	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	
<i>Surrogate: 1-Chlorooctane</i>		92.4 %		70-130	"	"	"	"	
<i>Surrogate: 1-Chlorooctadecane</i>		92.4 %		70-130	"	"	"	"	
GS1.0- 003 (6I15002-03) Soil									
Benzene	ND	0.0250	mg/kg dry	25	EI61509	09/15/06	09/15/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
<i>Surrogate: a,a,a-Trifluorotoluene</i>		86.2 %		80-120	"	"	"	"	
<i>Surrogate: 4-Bromofluorobenzene</i>		80.0 %		80-120	"	"	"	"	
Carbon Ranges C6-C10	ND	10.0	mg/kg dry	1	EI61506	09/15/06	09/16/06	EPA 8015B	
Carbon Ranges >C10-C28	ND	10.0	"	"	"	"	"	"	
Total Carbon Range C6-C28	ND	10.0	"	"	"	"	"	"	

Environmental Lab of Texas

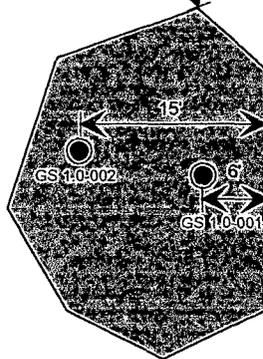
The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas



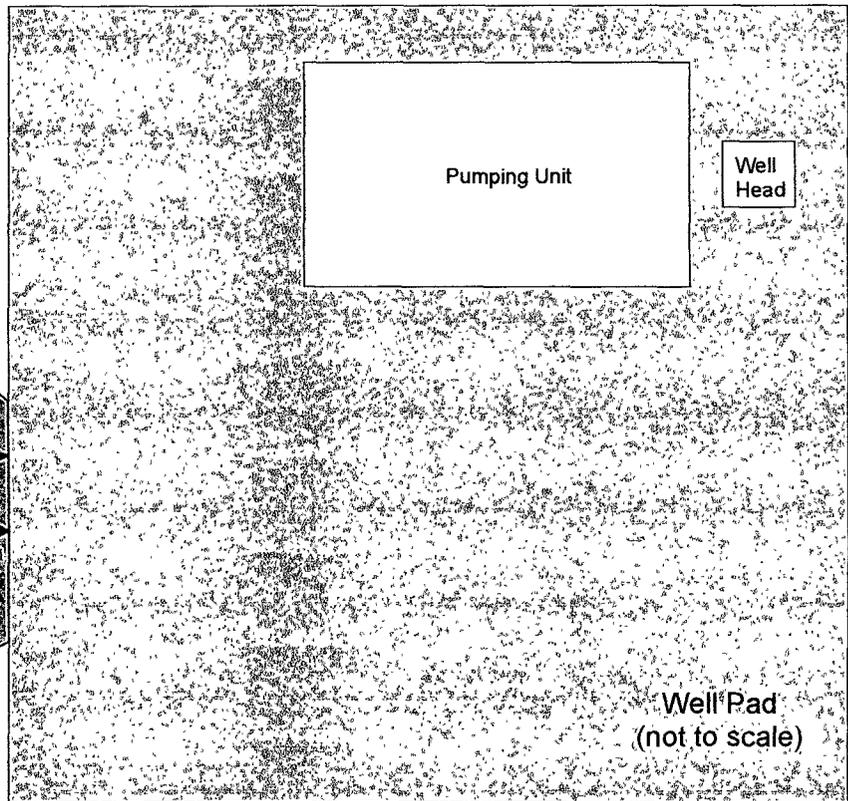
GS 1 0-003



120'



Excavated Area



- - GS1.0-001
(N 32.62275, W 103.73459)
- - GS1.0-002
(N 32.62271, W 103.73465)

- - GS1.0-003 (Background Sample)
(N 32.62308, W 103.73475)



Lusk AHB Federal #5

Section 35, T19S-R32E

Lea County, NM

Sample Date: September 13, 2006

EXHIBIT 1
Sample Diagram
(Not to Scale)

Prepared by Robert Asher
Environmental Regulatory Agent
September 25, 2006