

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 Medano VA State #1 | API Number 30-015-20423 | Facility Type Battery |
| Surface Owner State | Mineral Owner State | Lease No. VO-0120 |

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|-----------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|----------------|
| Unit Letter K | Section 16 | Township 23S | Range 31E | Feet from the 1980 | North/South Line South | Feet from the 1980 | East/West Line West | County Eddy |
|------------------|---------------|-----------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|----------------|

Latitude 32.30252 Longitude 103.78442



NATURE OF RELEASE

| | | |
|--|--|--|
| Type of Release Crude Oil & Produced Water | Volume of Release 2 B/O & 500 B/PW | Volume Recovered 0 B/O & 410 B/PW |
| Source of Release Pipe Line | Date and Hour of Occurrence 4/9/2008, AM | Date and Hour of Discovery 4/9/2008, AM |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Mike Bratcher/NMOCD District II (Voicemail & E-mail) | |
| By Whom? Robert Asher/YPC Environmental Department | Date and Hour 4/9/2008, PM | |
| 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.* Main 6" line behind battery ruptured (upstream from 4/8/2008 release). Shut down well, called vacuum truck and repaired line. | | |

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 142' X 12'. Vacuum truck picked up remaining produced water. Vertical and horizontal delineation will be conducted and corrective actions taken if needed. **Depth to Ground Water: >100' (approx. 125'), 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 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:  | |
| Printed Name: Robert Asher | Approval Date: <u>4/21/08</u> | Expiration Date: <u>—</u> |
| Title: Environmental Regulatory Agent | Conditions of Approval: <u>REMEDIATION</u> | Attached <input type="checkbox"/> |
| E-mail Address: <u>hoba@ypcnm.com</u> | <u>WORK PLAN DUE BY MAY 19, 2008</u> | |
| Date: Friday, April 18, 2008 | Phone: 505-748-1471 | |

* Attach Additional Sheets If Necessary

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