

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

RECEIVED

JUL 01 2008

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

X Initial Report

Final Report

Name of Company Yates Petroleum Corporation	Contact Mike Stubblefield
Address 105 South 4 <sup>th</sup> Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712
Facility Name Union AJS Federal #1	Facility Type Tank battery

Surface Owner Federal	Mineral Owner Federal	Lease No.
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LOCATION OF RELEASE

API# 30 025

Unit Letter J	Section 8	Township 21s	Range 32e	Feet from the 1980'	North/South Line FSL	Feet from the 1980'	East/West Line FEL	County Lea
								31412

Latitude 32.41862 Longitude 103.72033

NATURE OF RELEASE

Type of Release: Produced water and Hydrocarbon	Volume of Release 45 B/PW 1/2 Hydrocarbon	Volume Recovered 20 B/PW
Source of Release stock tank	Date and Hour of Occurrence 6/22/2008 6:00am	Date and Hour of Discovery 6/22/2008 6:00am
Was Immediate Notice Given? Yes X No Not Required	If YES, To Whom? Larry Johnson's voice mail box	
By Whom? Mike Stubblefield	Date and Hour 6/23/2008 10:00am	
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.\*

Low power Deans alarms did not work, Stock tank containing produced water overflowed.

Describe Area Affected and Cleanup Action Taken.\*

The impacted area was the bermed area of the tank battery. The bermed area was unlined. 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 6/22/2008.

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	<i>Johnson</i> Approved by District Supervisor: ENVIRONMENTAL ENGINEER	
Title: Environmental Regulatory Agent	Approval Date: 7.9.08	Expiration Date: 9.9.08
E-mail Address: mikes@ypcnm.com	Conditions of Approval:	
Date: 6/30/2008 Phone: 505-748-4500	<i>See B.M. from C.H.B.</i> Attached <input type="checkbox"/> IRP# 1902	

\* Attach Additional Sheets If Necessary

FGRH0822052656