

District I  
1625 N. French Dr., Hobbs, NM 88241  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87110  
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

ISEB0822438714  
NSEB0822438483

#### OPERATOR

☒ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 <sup>TH</sup> Street, Artesia, NM 88210	Telephone No. 505-748-4217	
Facility Name Thomas AJJ Deep Com. #3	API Number 30-015-26824	Facility Type Battery
Surface Owner Fee	Mineral Owner Fee	Lease No.

#### LOCATION OF RELEASE

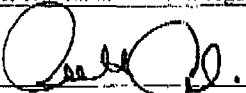
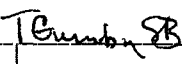
Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	8	19S	25E	1980	South	1980	East	Eddy

Latitude 32.67359 Longitude 104.50437

#### NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release 6 B/O & 4 B/PW	Volume Recovered 5 B/O & 3 B/PW
Source of Release Check valve failure.	Date and Hour of Occurrence 6/28/2008 - AM	Date and Hour of Discovery 6/28/2008 - PM
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.* Check valve at battery failed causing oil and produced water to backflow through out of service separator into old flow line. Vacuum truck and backhoe crew called.		
Describe Area Affected and Cleanup Action Taken.* Area approximately 30' X 60'. Flow line closed and separator isolated, all contained on location pad, vacuum truck picked up remaining oil and produced water, all contaminated soils excavated and scraped up, soils hauled to OCD approved facility. <b>Depth to Ground Water: &gt;100', Wellhead Protection Area: No, Distance to Surface Water Body: &gt;1000', SITE RANKING IS 0. Based on amounts released/recovered, cleanup actions taken and site ranking, Yates Petroleum Corporation requests closure.</b>		

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCED 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 NMOCED 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 NMOCED 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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Robert Asher	Approved by District Supervisor: 	
Title: Environmental Regulatory Agent	Approval Date: 8-11-08	Expiration Date: N/A
E-mail Address: boba@ypenn.com	Conditions of Approval: N/A	Attached <input type="checkbox"/> N/A
Date: July 3, 2008	Phone: 505-748-4217	

\* Attach Additional Sheets If Necessary

2RP-213