

**RECEIVED**

District I  
1625 N. French Dr., Hobbs, NM 88240  
DEC 10 2008  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Hobbs, NM 88240  
HOBBSDOCD  
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 <sup>TH</sup> Street	Telephone No. 575-748-1471	
Facility Name Big Hat BKI State #3	API Number 30-025-36223	Order Number 1RP-
Surface Owner State	Mineral Owner State	Lease No. VO-5113

**LOCATION OF RELEASE**

Unit Letter B	Section 3	Township 16S	Range 33E	Feet from the 795	North/South Line North	Feet from the 2281	East/West Line East	County Lea
------------------	--------------	-----------------	--------------	----------------------	---------------------------	-----------------------	------------------------	---------------

Latitude 32.96361 Longitude 103.64942

**NATURE OF RELEASE**

Type of Release Oil	Volume of Release 80 B/O	Volume Recovered 10 B/O
Source of Release Production Tank	Date and Hour of Occurrence 12/3/2008 AM	Date and Hour of Discovery 12/3/2008 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson/NMOCD	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 12/3/2008 PM (Voicemail & E-mail)	
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.* Hole in production tank. Shut pump down, called vacuum truck and backhoe crew.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 48' X 120'. Transferred oil to another tank, recovered remaining oil, excavated impacted soils and hauled to an OCD facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL a work plan will be submitted to the OCD. <b>Depth to Ground Water: &gt;100' (approx. 130', per the NM Office of the State Engineer), Wellhead Protection Area: No, Distance to Surface Water Body: &gt;1000', SITE RANKING IS 0.</b>		
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	Approved by District  ENVIRONMENTAL ENGINEER	
Title: Environmental Regulatory Agent	Approval Date: 12.18.08	Expiration Date: 2.18.09
E-mail Address: boba@yatespetroleum.com	Conditions of Approval:	
Date: Tuesday, December 09, 2008 Phone: 575-748-4217	SUBMIT FINAL BY  ATTACHED <input type="checkbox"/> 1RP# 2037	

\* Attach Additional Sheets If Necessary

FGRL 0835 833818