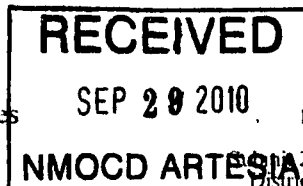


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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
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 Amanda Trujillo
Address 104 S. 4 th Street		Telephone No. 575-748-1471
Facility Name Medano VA Battery	API Number 30-015-20423	Facility Type Oil well
		Order Number 2RP-

Surface Owner State	Mineral Owner State	Lease No. K-1341
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LOCATION OF RELEASE

Unit Letter K	Section 16	Township 23S	Range 31E	Feet from the 1947	North/South Line South	Feet from the 1986	East West Line West	County EDDY
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release OIL/PRODUCED WATER	Volume of Release 3 OIL 2PW	Volume Recovered 0
Source of Release Valve got stuck open filling separator	Date and Hour of Occurrence 7/29/10 11:00 am	Date and Hour of Discovery 7/29/2010 - 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 - NMOC D Artesia	
By Whom? Amanda Trujillo - Yates Petroleum Corporation	Date and Hour 08-25/2010 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.*
Dump valve got stuck open filling separator and causing discharge out top of pop-off. Shoveled contaminated soil into piles on top of plastic.

Describe Area Affected and Cleanup Action Taken.*
An approximate size of 7' x 7' was impacted. The impacted area is located near the separator. Soil from the pooling areas were excavated and placed on plastic. The impacted area was cleaned up immediately before further impact could result. Depth to Ground Water: <100' (approx. 100', per New Mexico Office of the State Engineer); Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 0. Based on site ground water quality and enclosed analytical results.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC D 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 NMOC D 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, NMOC D 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>A Trujillo</i>	OIL CONSERVATION DIVISION	
Printed Name Amanda Trujillo	Signed By <i>Mike Bratcher</i>	
Title Environmental Scientist	Approved by District Supervisor:	
E-mail Address atrujillo@yatespetroleum.com	Approval Date SEP 30 2010	Expiration Date N/A
Date Tuesday, September 14, 2010	Conditions of Approval <i>Final</i>	Attached <input type="checkbox"/>
Phone 575-748-1310		

* Attach Additional Sheets If Necessary

nmlb1027341078
PMLB1027341582

Bratcher, Mike, EMNRD

From: Amanda Trujillo [atrujillo@yatespetroleum.com]
Sent: Wednesday, September 29, 2010 2:40 PM
To: Bratcher, Mike, EMNRD
Subject: FW: Medrano VA Battery
Attachments: Medano VA Battery (Initial and Final 9-03-2010).pdf

Mr. Bratcher:

Attached is an Initial and Final C-141 requesting closure. The release was 5 bbls and was addressed immediately.

Thank you,

Amanda N. Trujillo
Environmental Scientist
Yates Petroleum Corporation
Office 575-748-4310
Cell 575-703-6537
Email atrujillo@yatespetroleum.com

-----Original Message-----

From: Amanda Trujillo
Sent: Wednesday, August 25, 2010 4:33 PM
To: 'Bratcher, Mike, EMNRD'
Cc: Jerry Fanning
Subject: Medrano VA Battery

Mr. Bratcher:

With all the recent craziness around here I did not get this reported to you. I'm very sorry for this delay. Yates Petroleum reports a release at the following location:

Medrano VA Battery
Section 16, Township 23 South, Range 31 East
Eddy County
Date of Release: 7/28//2010
Approximately 3 barrels of oil and 2 barrels of water were released 0 barrels recovered
Cause of release has been isolated and repairs are in progress
Contaminated material was immediately excavated and disposed of at an NMOCD approved facility.
Site will be evaluated and a work plan for remediation will be submitted for consideration.

If you should have any questions please feel free to contact me at the number below.

Amanda N. Trujillo
Environmental Scientist
Yates Petroleum Corporation
Office 575-748-4310
Cell 575-703-6537
Email atrujillo@yatespetroleum.com