

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 105 South 4th Street, Artesia, NM 88210		Telephone No. 505-748-1471
Facility Name Serrano Federal # 1 Battery	API Number 30-015-28166	Facility Type Battery

Surface Owner Federal	Mineral Owner Federal	Lease No. NM-92748
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LOCATION OF RELEASE

Unit Letter M	Section 11	Township 19S	Range 25E	Feet from the 660	North/South Line South	Feet from the 660	East/West Line West	County Eddy
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Latitude 32.67000 Longitude 104.46139

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release 2 B/O & 30 B/PW	Volume Recovered 1.5 B/O & 28 B/PW
Source of Release Water Pump	Date and Hour of Occurrence 11/19/2008 AM	Date and Hour of Discovery 11/19/2008 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	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 11/19/2008 - 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.*

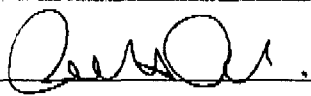

Mechanical seal and bearings failed on water pump causing oil and produced water release. Vacuum truck and backhoe crew called.

Describe Area Affected and Cleanup Action Taken.*

Area approximately 130' X 4' all contained inside berm, shut well in, pump repaired, vacuum truck picked up oil and produced water. Impacted soils excavated and taken to an OCD approved 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. Depth to Ground Water: 50-99' (80' per N.M. Office of the State Engineer), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10.

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>2/22/2011</u>	Expiration Date:
Title: Environmental Regulatory Agent	Conditions of Approval: <u>Remediation per NMOCD Rules & Guidelines</u>	
E-mail Address: boba@ypcnm.com	Attached <input type="checkbox"/>	
Date: Thursday, November 20, 2008	Phone: 505-748-4217	

* Attach Additional Sheets If Necessary

2RP-627