

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	Contact JERRY FANNING, JR.
Address 105 SOUTH 4 TH , ARTESIA, NM 88210	Telephone No. 505-748-1471
Facility Name MIMOSA "AHS" FED #3-Y	Facility Type SALT WATER DISPOSAL BATTERY
Surface Owner FEDERAL	Mineral Owner FEDERAL
Lease No. NM-39635	

LOCATION OF RELEASE

Unit Letter P	Section 4	Township 20S	Range 24E	Feet from the 635	North/South Line SOUTH	Feet from the 330	East/West Line EAST	County EDDY
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release PRODUCED AND OIL	Volume of Release 1100 BW 700 BO	Volume Recovered 700 BW 390 BO
Source of Release SWD - FIRE	Date and Hour of Occurrence 6-29-04 16:00	Date and Hour of Discovery 6-29-04 16:00
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? JERRY on call OCD representative	
By Whom? JERRY FANNING, JR.	Date and Hour 6-29-04 16:30	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was impacted, Describe Fully.*

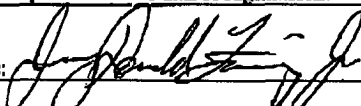
Describe Cause of Problem and Remedial Action Taken.*

Three 500bbl fiberglass water tanks, one 750bbl fiberglass gun barrel tank and one 500 bbl oil tank all lost to fire. Lightning struck tank causing a chain reaction fire which spread to adjacent tanks. Fire department called and responded. Fire extinguished and small amount of free standing fluid outside of berm contained.

Describe Area Affected and Cleanup Action Taken.*

Majority of fluid which escaped tanks which did not burn was contained within the bermed area around the tanks. This fluid was recovered by vacuum truck in the quantities reflected above. Site will be evaluated and appropriate cleanup initiated immediately

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCDC 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 NMOCDC 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, NMOCDC 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: JERRY FANNING, JR.	Approved by District Supervisor:	
Title: ENVIRONMENTAL REGULATORY AGENT	Approval Date:	Expiration Date:
E-mail Address: jerryf@ypcnm.com	Conditions of Approval:	Attached <input type="checkbox"/>

Date: 6/30/04 Phone: 505 748 4106

* Faxed to Cardowner



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

July 20, 2004

Yates Petroleum Corp.
Attn: Jerry Fanning Jr.
105 S. 4th St.
Artesia, NM 88210

Re: Mimosa AHS Fed #3Y P-4-20s-24e API: 30-015-29123

Dear Operator,

The Artesia Oil Conservation Division is in receipt of the initial Form C-141 (copy included) dated 6/30/2004 from Yates Petroleum Corp.

Please submit a Corrective Action Work Plan to the Artesia O.C.D. for correction/remediation of this release. Please use the "Guidelines For Remediation of Leaks, Spills, and Releases as your guide.

A copy of the Guidelines for Remediation of Leaks, Spills, and Releases, published 1993, can be found at the O.C.D. web address WWW.EMNRD.STATE.NM.US/OCD. The published document can be found on the O.C.D. web page under Publications/Environmental Handbook/Miscellaneous Guidelines/Spill Prevention Clean up.

The work plan presented to the O.C.D. must include general site characteristics, soil remediation action levels, soil remediation methods, and planned analytical testing for TPH, B-TEX and Chlorides if applicable.

A final Form C-141 is required for closure of the event or release and must include a report of remediation actions taken with final analytical results attached.

Please have the requested work plan in the Artesia office on or before August 20, 2004.
The Artesia O.C.D. must be notified 24 hours prior to any remediation actions and/or subsequent soil samples taken for analysis.

In the event that a satisfactory response is not received to this letter further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe. Such a hearing may result in imposition of **CIVIL PENALTIES** for your violation of OCD rules.

If I can be of assistance in this matter please do not hesitate to contact me at 505-748-1283
Or E-mail me at mbratcher@state.nm.us.

Sincerely,

Mike Bratcher

Compliance Officer.

N.M.O.C.D.