

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  
SEP 15 2008  
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form  
OCD-ARTESIA

Release Notification and Corrective Action

OPERATOR

Initial Report

X Final Report

Name of Company Yates Petroleum Corporation	Contact Mike Stubblefield	
Address 105 South 4 <sup>th</sup> Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712	
Facility Name SRC "KZ" State Battery 30-015-22891	Facility Type Tank Battery	
Surface Owner State	Mineral Owner State	Lease No. E-2781

LOCATION OF RELEASE

Unit Letter G	Section 1	Township 19s	Range 24e	Feet from the 2310'	North/South Line FNL	Feet from the 1650'	East/West Line FEL	County Eddy
------------------	--------------	-----------------	--------------	------------------------	-------------------------	------------------------	-----------------------	----------------

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

NATURE OF RELEASE

Type of Release Produced Oil.	Volume of Release 180 bbls Oil	Volume Recovered 100 bbls Oil
Source of Release Stock tank	Date and Hour of Occurrence 4/4/2008 am	Date and Hour of Discovery 4/4/2008 am
Was Immediate Notice Given? Yes X No Not Required	If YES, To Whom? NMOCD/Mike Bratcher	
By Whom? Mike Stubblefield	Date and Hour 4/4/2008 8:30am	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\*

Full tank of Oil was turned in to be sold. The stock tank lost bottom sometime during the night. A vacuum truck was immediately called to the facility. The oil pooling in the lease road was recovered.

Describe Area Affected and Cleanup Action Taken.\*

The impacted area was the lease road in front of the battery and the area around the stock tanks. The impacted area on the lease road measure 180' long with narrow flow paths and two main pooling areas measuring 25' wide. The area around the stock tanks was impacted with a pooling area measuring 30'x15'. The tank battery was relocated and a new tank battery was constructed west of the former tank battery area. The impacted soil has been excavated from the lease road & tank battery area. Removed soils were hauled to and NMOCD approved solid waste disposal facility. Soil samples were taken for analytical from the excavated areas. Soil samples were sent to a second party lab & analysis ran for TPH using EPA Method 8015M & B-TEX using EPA Method 8260B. Final analytical results report the TPH & B-TEX to be under the RRAL for the site. Yates Petroleum Corporation is submitting a final C-141 for the release that occurred on 4/4/2008 and requesting closure.

Depth to ground water > 100'. Wellhead protection area > 1000'. Distance to surface water body > 1000' Site ranking 0.

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: <i>Mike Stubblefield</i>	Approved by District Supervisor: <i>TCum by SB</i>	
Printed Name: Mike Stubblefield	Approval Date: <i>9-16-08</i>	Expiration Date: <i>N/A</i>
Title: Environmental Regulatory Agent	Conditions of Approval: <i>N/A</i>	Attached: <i>N/A</i>
E-mail Address: mikes@ypcnm.com		
Date: 9/12/2008 Phone: 505-748-4500		

\* Attach Additional Sheets If Necessary

2RP-59