

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

nkmw0735546509 OPERATOR Initial Report Final Report

Name of Company YATES PETROLEUM CORPORATION	OGRID Number 25575	Contact SHERRY BONHAM
Address 105 S 4 TH STREET		Telephone No. 505.748.1471
Facility Name HORNBAKER BA 1 BATTERY	API Number 30-015-20015	Facility Type BATTERY
Surface Owner FEE	Mineral Owner FEE	Lease No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	25	18S	25E	1900	NORTH	1650	EAST	EDDY

Latitude 32.72094 Longitude 104.43452

NATURE OF RELEASE

Type of Release CRUDE OIL AND PRODUCED WATER	Volume of Release 10 B/O; 5 B/PW	Volume Recovered 5 B/O; 1 B/PW
Source of Release TANK	Date and Hour of Occurrence 9/13/06 AM	Date and Hour of Discovery 9/13/06 AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour N/A	
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 TANK. EMPTIED AND CLEANED TANK.		
Describe Area Affected and Cleanup Action Taken.* AN APPROXIMATE 20' X 30' AREA IMPACTED. ALL FLUIDS WERE CONTAINED WITHIN BERMED AREA. VACUUM TRUCK AND CREW CALLED IN. VACUUMED TANK AND STANDING FLUIDS.		
Site Ranking: <u>0</u>		

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>Sherry Bonham</i>	Approved by District Supervisor:	
Printed Name: Sherry Bonham	Approval Date:	Expiration Date:
Title: Environmental Regulatory Agent	Conditions of Approval:	
E-mail Address: sherryb@ypcnm.com	Attached <input type="checkbox"/>	
Date: September 19, 2006	Phone: 505.748.1471	

* Attach Additional Sheets If Necessary