

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Santa Fe, 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 Energy Corp.	25542	Contact Sheryl L. Jonas
Address P. O. Box 2323, Roswell New Mexico 88202		Telephone No. 432-683-5511
Facility Name Yates State Battery	30-015-21622	Facility Type Tank Battery

Surface Owner Jimmy Richardson	Mineral Owner State	Lease No. E-2211
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	32	18S	30E	1980	North	990	East	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Oil Spill at tank battery	Volume of Release 74 BO and 44 BW	Volume Recovered Navajo recovered 50 bbls oil
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
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 and voice mail reception/Artesia and Pat Coperton/Hobbs District	
By Whom? Sheryl Jonas	Date and Hour 3:00 PM Texas time 8-28-06	
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.*

At this time not sure where the leak is, assuming the tank bottom. Oil did trickle out of the fire wall about 50', at this time it has been covered with fresh dirt. Waiting on orders as what to do with the tank and start work on the ground within the firewall.

Describe Area Affected and Cleanup Action Taken.*

Clean up as stated above at this time. The area affected is within the firewall with the exception if a trickle that ran about 50' out of the firewall.

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: Sheryl L. Jonas

Printed Name: Sheryl L. Jonas

Title: Agent for Yates Energy

E-mail Address: SJonas4cell@earthlink.net

Date: 8-29-06

Phone: 432-683-5511

Approved by District Supervisor: GUM

Approval Date: 9/4/06 by MB

Conditions of Approval:

Attached ☒

* Attach Additional Sheets If Necessary

Note to Mike Bratcher: Debi Smith will be doing the remediation plan.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Yates Energy Corporation
P.O. Box 2323
Roswell, NM 88202
ATTN: Environmental Department

April 9, 2007

Reference: Yates State Battery #6 32-18S-30E API # 30-015-21622 Eddy County, New Mexico

Operator,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of an Initial Report Form C-141 reporting a release of produced fluids that occurred on or about August 28, 2006 at the above referenced well site. Please submit a work plan proposal (plan) for remediation, removal and/or clean up of contaminants that may be present at this site. The plan is to be formulated based on vertical and horizontal delineation of contamination, site ranking, and OCD Rules and Guidelines.

A publication outlining OCD guidelines and requirements for site ranking and spill remediation can be found on the OCD website as follows: <http://www.emnrd.state.nm.us/ocd> Click on each of the following items as they appear:

- Publications
- Environmental Handbook
- Miscellaneous Guidelines
- Remediation of Leaks, Spills and Releases

Please submit this plan to the OCD District 2 office no later than May 9, 2007. Please include any remedial or clean up actions that have already been performed.

Remediation requirements may be subject to other federal, state, local laws and/or regulations.

If I can be of assistance in this matter, my contact information is listed below.

Sincerely,

Mike Bratcher
NMOCD District 2
1301 W. Grand Ave.
Artesia, NM 88210
(505) 748-1283 Ext. 108
(505) 626-0857
mike.bratcher@state.nm.us

Tracking number: nLLB0631953733