

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

MAY - 2 2008
OCD-ARTESIA

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

3EB0814157019

63EB0814156857

15EB0814156583

OPERATOR

X Initial Report

Final Report

Name of Company Yates Petroleum Corporation	Contact Mike Stubblefield
Address 105 South 4 th Street, Artesia, N.M. 88210	Telephone No. 505-7484500 505-513-1712
Facility Name Gulf KC State #1 30-015-22728	Facility Type Tank Battery

Surface Owner, Fee STATE	Mineral Owner State	Lease No.
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LOCATION OF RELEASE

Unit letter C	Section 18	Township 18s	Range 25e	Feet from the 660'	North/South Line FNL	Feet from the 1980'	East/West Line FWL	County Eddy
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Latitude 32.75387 Longitude 104.52654

NATURE OF RELEASE

Type of Release Produced water & condensate	Volume of Release 19 bbls produced water & 1 bbl condensate	Volume Recovered 0
Source of Release Gun Barrel	Date and Hour of Occurrence 4/28/2008 am.	Date and Hour of Discovery 4/28/2008 3:00pm
Was Immediate Notice Given? Yes No X Not Required	If YES, To Whom	
By Whom?	Date and Hour	
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 *

The water leg on gun barrel broke due to high winds The water leg was repaired on the gun barrel.

Describe Area Affected and Cleanup Action Taken *

The impacted area was located in the battery area around the gun barrel and along the berm on the eastside of the battery. The battery area was partially bermed The pasture on the eastside of the battery was impacted. This area measured to be 15' x 30' The impacted soil located within in the bermed area of the battery was excavated. Removed soils were placed on a liner set on the location. Soil samples will be taken for analytical from the impacted areas Soil samples will be sent to a second party lab & analysis ran for TPH & B-TEX and Chlorides. If the initial analytical results find the TPH & B-TEX to be over the RRAL A work plan will be submitted to OCD for the correction of the hydrocarbons. When Analytical results reflect the TPH & B-tex to be under the RRAL A final C-141 form will be submitted to the OCD requesting closure for the release that occurred on 4/28/2008. Final analytical results for the Chlorides will be evaluated and appropriate actions taken.

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>Don Byrd</i>		
Printed Name Mike Stubblefield			
Title: Environmental Regulatory Agent	Approval Date: 6-3-08	Expiration Date: 8-1-08	
E-mail Address: mikes@ypcnm.com	Conditions of Approval: STIPULATIONS		Attached <input checked="" type="checkbox"/>
Date: 5/1/2008 Phone: 505-748-4500			

* Attach Additional Sheets If Necessary

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