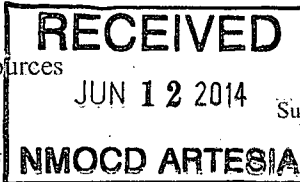


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

nHMP1417633704

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Chase Settle
Address 104 S. 4 TH Street		Telephone No. 575-748-4147
Facility Name NDDUP #108	API Number 30-015-27378	Facility Type Well

Surface Owner Fee	Mineral Owner Fee	Lease No.
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LOCATION OF RELEASE

Unit Letter H	Section 30	Township 19S	Range 25E	Feet from the 1665	North/South Line North	Feet from the 660	East/West Line East	County Eddy
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Latitude 32.63444 Longitude 104.51701

NATURE OF RELEASE

Type of Release Produced water	Volume of Release 10 B/PW	Volume Recovered 8 B/PW
Source of Release Produced Water Flow Line	Date and Hour of Occurrence 6/2/2014, AM	Date and Hour of Discovery 6/2/2014, 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.*
The release was caused by failure of a produced water line.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 146' X 85' affected off location from failure of a produced water flow line. Vacuum trucks and a backhoe were called to recover standing produced water and remove impacted soil. Excavated soils will be hauled to a NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). If initial analytical results for TPH & BTEX are under RRAL's (site ranking is 0), a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL's a work plan will be submitted to the OCD. Depth to Ground Water: >100' (approximately 200', Section 30, T19S-R25E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 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.

Signature:	OIL CONSERVATION DIVISION	
Printed Name: Chase Settle	Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: 6/25/14	Expiration Date: NA
E-mail Address: CSettle@yatespetroleum.com	Conditions of Approval:	Attached: <input type="checkbox"/>
Date: Thursday, June 12, 2014 Phone: 575-748-4171	Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN: 7/25/14	

* Attach Additional Sheets If Necessary

2RP-2354