

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141

Revised August 8, 2011

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

FEB 19 2015

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

Release Notification and Corrective Action

NAB1505530090

OPERATOR

Initial Report Final Report

| | | |
|--|-------------------------------|-------------------------|
| Name of Company Yates Petroleum Corporation | OGRID Number 25575 | Contact Robert Asher |
| Address 104 S. 4 th Street | Telephone No. 575-748-1471 | |
| Facility Name Louise AYI #1 | Facility Type Battery | |

| | | |
|----------------------|----------------------|-------------------------|
| Surface Owner Fee | Mineral Owner Fee | API No. 30-015-31625 |
|----------------------|----------------------|-------------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| I | 25 | 21S | 26E | 1859 | South | 660 | East | Eddy |

Latitude 32.44817 Longitude 104.23931

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release Condensate | Volume of Release 18 B/C | Volume Recovered 17 B/C |
| Source of Release Production Tank | Date and Hour of Occurrence 2/4/2015; AM | Date and Hour of Discovery 2/4/2015; 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 2/5/2015; AM (Email) | |
| 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.*

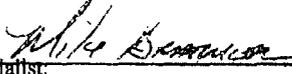
Describe Cause of Problem and Remedial Action Taken.*

The production tank had a gasket leak, causing the release. Vacuum truck(s) and roustabout crews were called.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 20' X 40'. Problems with the gasket were corrected and a vacuum truck recovered 94% of the released fluid (17 B/C). Impacted gravel (to include the remaining 1 B/C not vacuumed up) was excavated /hailed to a NMOCD approved facility. Depth to Ground Water: <50' (approximately 20', per ChevronTexaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 20. Based on 94% of the released condensate recovered and all problems with the gasket resolved, Yates Petroleum Corporation requests closure.

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: Robert Asher | Approved by Environmental Specialist:  | |
| Title: NM Environmental Regulatory Supervisor | Approval Date: <u>2/23/15</u> | Expiration Date: <u>N/A</u> |
| E-mail Address: boba@yatespetroleum.com | Conditions of Approval: FINAL | Attached <input type="checkbox"/> |
| Date: February 19, 2015 | Phone: 575-748-4217 | 2RP- |

* Attach Additional Sheets If Necessary

2RP-2831