

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brnzos 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

NM OIL CONSERVATION

ARTESIA DISTRICT Form C-141
Revised August 8, 2011

JUL 15 2016

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

RECEIVED

Release Notification and Corrective Action

nAB1620 027656

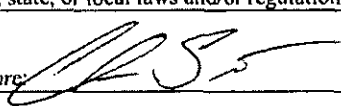
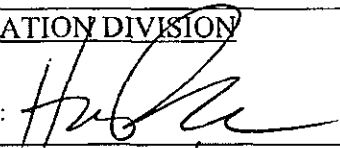
| OPERATOR | | <input checked="" type="checkbox"/> Initial Report | <input type="checkbox"/> Final Report |
|---|--------------------------|--|---------------------------------------|
| Name of Company Yates Petroleum Corporation | 25575 | Contact Chase Settle | |
| Address 104 S. 4 th Street, Artesia, NM 88210 | | Telephone No. 575-748-4171 | |
| Facility Name Dagger ZW Battery | | Facility Type Battery | |
| Surface Owner Federal | Mineral Owner Federal | API No. 30-015-25787 | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| K | 30 | 19S | 25E | 1980 | South | 1980 | West | Eddy |

Latitude 32.62982 Longitude -104.52613

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release Crude Oil | Volume of Release 11 B/O | Volume Recovered 8 B/O |
| Source of Release Crude Oil Tank | Date and Hour of Occurrence 7/1/2016; 12:30 p.m. | Date and Hour of Discovery 7/1/2016; 12:30 p.m. |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | |
| By Whom? | Date and Hour | |
| 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 crude oil tank developed a hole which led to the release of crude oil. | | |
| Describe Area Affected and Cleanup Action Taken.* An approximate area of 90' X 17' was affected within the berm of the battery. Vacuum trucks were called to remove standing fluid, and impacted soils will be excavated and 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 235', 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 Environmental Specialist:  | |
| Title: NM Environmental Representative | Approval Date: 7/15/16 | Expiration Date: N/A |
| E-mail Address: csettle@yatespetroleum.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 07/15/2016 Phone: 575-748-4171 | Remediation per O.C.D. Rules & Guidelines SUBMIT REMEDIATION PROPOSAL NO LATER THAN: 7/18/16 2RP-3782 | |