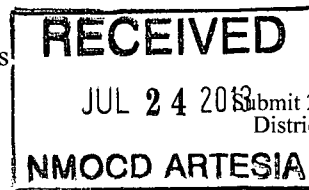


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

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 #2	API Number 30-015-33938	Facility Type Battery

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

Unit Letter B	Section 25	Township 21S	Range 26E	Feet from the 990	North/South Line North	Feet from the 1550	East/West Line East	County Eddy
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Latitude 32.45514 Longitude 104.24217

NATURE OF RELEASE


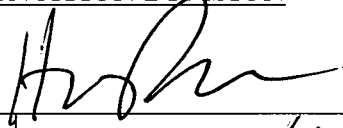

Type of Release Produced water mixed with fresh water	Volume of Release 48 B/PW	Volume Recovered 130 B/PW and B/FW Mix
Source of Release Produced water tank	Date and Hour of Occurrence 6/20/2013; PM	Date and Hour of Discovery 6/20/2013; PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD II	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 6/21/2013; AM	
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.*
Lightning struck fiberglass produced water tank. Emergency equipment called to put out fire. Vacuum trucks called.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 20' X 40' (inside lined/bermed battery), approximate area of 15' X 25' (outside of battery), and area affected caused by lined battery being filled with fresh water to extinguish fire and overflowed (unknown amounts of PW/FW mix). Liner integrity intact. Vertical and horizontal delineation samples outside of battery will be taken and analysis ran for TPH & BTEX (chlorides for documentation). If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL a work plan will be submitted to the OCD. **Depth to Ground Water: <50' (40', Section 25, T21S-R26E, of the NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 20. Based on enclosed analytical results, 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 District Supervisor: 		
Title: NM Environmental Regulatory Supervisor	Approval Date: <u>9/9/10</u>	Expiration Date: <u>N/A</u>	
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: 	Attached <input type="checkbox"/>	
Date: Wednesday, July 24, 2013 Phone: 575-748-4021	2RP-1718		

* Attach Additional Sheets If Necessary