District I 1625 N. French Dr., Hobbs, NM 88240 1301 W. Grand Avenue, Artesia, NM 88210 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

Santa Fe, NM 87505

NOV 2 2 2010

RECEIVED

Form C-141 rised October 10, 2003

NMOCD ARTESHAP Oil Conservation Division 1220 South St. Francis Dr.

Copies to appropriate Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action 1MLB/0327 28595 **OPERATOR** Initial Report Final Report Name of Company OGRID Number Contact Yates Petroleum Corporation 25575 Amanda Trujillo Address Telephone No. 104 S. 4TH Street 575-748-1471 Facility Name Facility Type API Number Order Number Santa Fe Land SWD #1 30-015-20501 SWD Surface Owner Mineral Owner Lease No. Federal Federal LOCATION OF RELEASE Unit Letter Township Feet from the North/South Line Feet from the East/West Line Section Range County 198 1980 East 17 26E South 660 Eddy Latitude Longitude NATURE OF RELEASE Volume Recovered Type of Release Volume of Release Water Date and Hour of Discoyery Source of Release Date and Hour of Occurrence Gasket Failure on flange connection 11/19/09 AM 11/ 11/19/2009 - AM // If YES, To Whom? Was Immediate Notice Given? ☑ Yes ☐ No ☐ Not Required Mike Bratcher - NMOCD/Artesia By Whom? Date and Hour 3:340 11/11/2010 pm Robert Asher - Yates Petroleum Corporation Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes 🏻 No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Buried discharge line off of pump leaked. The pump was shut down and the valves to tanks were shut. A vacuum truck was then dispatched to pick up any standing fluids. Describe Area Affected and Cleanup Action Taken.* An approximate size of 20' x 60' was impacted. The impacted area is located within the berm. A one call has been made and work will begin to excavate contaminated material and replace the buried line with a surface line. Soil from the pooling areas was excavated and disposed of at an NMOCD approved facility. Depth to Ground Water: >100' (approx. 116', per New Mexico Office of the State Engineer); Wellhead Protection Aren: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 0. Based on site ground water quality and enclosed analytical results.

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. Signed By Mi.
Approved by District Supervisor: Signature:

* Attach Additional Sheets If Necessary

Date: Friday, November 19, 2010

E-mail Address: atrujillo@yatespetroleum.com

Printed Name: Amanda Trujino

Title: Environmental Scientist

REMEDIATION per OCD Rules and Attached Guidelines. SUBMIT REMEDIATION PROPOSAL BY: 12/23/2010 2RP-483

NOV 2 3 2010

Expiration Date:

DNOTE: No water quality data or analytical submitted with their form Revedistion proposed to be based on contaminant delivation

Approval Date:

Phone: 575-748-4310

Conditions of Approval: