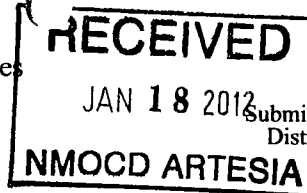District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210 ,
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

RECEIVED
JAN 1 8 2012
NMOCD ARTESIA

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

nMLB12039299447

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	API Number	Facility Type		Order Number
Dagger Draw WaterLine near Hornbaker btty		PW Pipeline		2RP- 998

Surface Owner	Mineral Owner	~~Lease No.~~ API
Fee	Fee	30 -015 - 20015

LOCATION OF RELEASE

Unit Letter	Section 25	Township 18S	Range 25E	Feet from the SW/NE	North/South Line	Feet from the	East/West Line	County Eddy

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered
Produced Water and BS	600 bbls	460 bbls

Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Dresser Sleeve pipeline	01/14/2012	1/14/2012 - PM

Was Immediate Notice Given?	If YES, To Whom?
☒ Yes ☐ No ☐ Not Required	Mike Bratcher – NMOCD/Artesia

By Whom?	Date and Hour
Amanda Trujillo – Yates Petroleum Corporation	1/14/2012 2:05 pm

Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse.
☒ Yes ☐ No	600 bbls

If a Watercourse was Impacted, Describe Fully.*
Release ran into Rio Penasco Draw. The draw is dry. No threat to water was present.

Describe Cause of Problem and Remedial Action Taken.*
A dresser sleeve on a waterline cracked. Release flowed downhill to Rio Penasco Draw. Immediately upon discovery, the leaking pipeline was isolated. Multiple vacuum trucks were called to the scene and began removing standing fluid. A backhoe and other heavy equipment were dispatched to the scene to assist. Earthen berms were constructed to segregate the impacted area. The area was fenced to prevent livestock from entering.

Describe Area Affected and Cleanup Action Taken.*
An approximate size of 300' x 20' was impacted. The release flowed from the pipeline down the hill to the Rio Penasco Draw (approx. 200 yrds) where it pooled in the dry bottom. *See Remedial Action above. Soil from the pooling areas was excavated and disposed of at an NMOCD approved facility. Initial vertical and horizontal delineation samples will be taken and analysis ran for TPH, BTEX and chlorides for reference. **Depth to Ground Water: >100' (approx. 241', per nearest water well data sampled 2011: 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.

	OIL CONSERVATION DIVISION
Signature:	
Printed Name: Amanda Trujillo	Approved by District Supervisor: Mike Bratcher
Title: Environmental Scientist	Approval Date: FEB 0 8 2012 Expiration Date:
E-mail Address: atrujillo@yatespetroleum.com	Conditions of Approval: Remediation per OCD Rules &
Date: Tuesday, January 17, 2012 Phone: 575-748-4310	Guidelines. SUBMIT REMEDIATION

* Attach Additional Sheets If Necessary

PROPOSAL NOT LATER THAN: 1/31/12
Proposal Rec'd 1/31/12   Attached ☐

2RP - 998