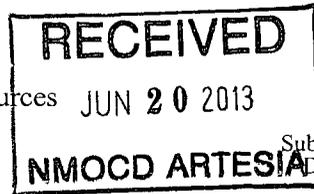


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

nJMN 1317739925

OPERATOR

Initial Report Final Report

| | | |
|--|-------------------------------|--------------------------|
| Name of Company Yates Petroleum Corporation | OGRID Number 25575 | Contact Lupe Carrasco |
| Address 104 S. 4 TH Street | Telephone No. 575-748-1471 | |
| Facility Name Dayton FP Battery | API Number 30-015-21738 | Facility Type Battery |

| | | |
|----------------------|---------------|-----------|
| Surface Owner Fee | Mineral Owner | Lease No. |
|----------------------|---------------|-----------|

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------------|-----------------|--------------|---------------|------------------|---------------|----------------|----------------|
| Unit Letter | Section 21 | Township 18S | Range 26E | Feet from the | North/South Line | Feet from the | East/West Line | County Eddy |
|-------------|---------------|-----------------|--------------|---------------|------------------|---------------|----------------|----------------|

Latitude 32.73417 Longitude 104.38341

NATURE OF RELEASE

| | | |
|--|--|--|
| Type of Release Produced Water | Volume of Release 20 B/PW | Volume Recovered 10 B/PW |
| Source of Release Water Line | Date and Hour of Occurrence 6/18/2013 AM | Date and Hour of Discovery 6/18/2013 AM |
| 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.*
Release was caused by a break in a 6 inch water line due to age of line. Line was shut in and a vacuum truck was dispatched to recover standing fluid. Crews were called in to repair the line.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 20' X 3 0'. Impacted soils to be scraped up and taken to an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX, Chlorides will be run 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's a work plan will be submitted.
Depth to Ground Water: >100' (approximately 140', Section 21-T18S-R26E, per NMOSE), 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: <i>Lupe Carrasco</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Lupe Carrasco | Approved by District Supervisor: | Signed By: <i>Mike Benavidez</i> |
| Title: Environmental Regulatory Agent | Approval Date: JUN 26 2013 | Expiration Date: |
| E-mail Address: <u>lcarrasco@yatespetroleum.com</u> | Conditions of Approval: Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION | Attached <input type="checkbox"/> |
| Date: Thursday, June 20, 2013 Phone: 575-748-1471 | PROPOSAL NO LATER THAN: July 26, 2013 | |

2RF-1691

* Attach Additional Sheets If Necessary