

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

HOBBS OCD

Form C-141

Revised October 10, 2003

OCT 03 2014

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

RECEIVED

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. 575-748-4217
Facility Name Hemlock BSH State #2-H	API Number 30-025-40891	Facility Type Pumping Unit

Surface Owner State	Mineral Owner State	Lease No. VB-1169
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LOCATION OF RELEASE

Unit Letter M	Section 32	Township 23S	Range 33E	Feet from the 220	North/South Line North	Feet from the 580	East/West Line West	County Lea
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Latitude 32.26779 Longitude 103.60037

NATURE OF RELEASE

Type of Release Oil & Produced Water	Volume of Release 30 B/O & 30 B/PW	Volume Recovered 27 B/O & 28 B/PW
Source of Release Well head	Date and Hour of Occurrence 11/2/2013; PM	Date and Hour of Discovery 11/2/2013; PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Geoffrey Leking/NMOCD I	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 11/4/2013; Email	
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.*

Stuffing box blew out causing the release. Unit shut down; vacuum truck dispatched to recover oil and produced water. Impacted soils excavated and hauled for disposal.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 30' X 50'. 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 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. Depth to Ground Water: > 100' (approximately 325' Section 32-T23S-R33E, per NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on enclosed analytical results (BTEX), TPH under RRAL's, chlorides show decrease with sampling), amounts of oil and produced water recovered and Site Ranking (0), with DTGW >100', 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.

OIL CONSERVATION DIVISION

Signature:

Robert Asher

Printed Name: Robert Asher

Approved by District Supervisor

Emilil Speculini

Title: NM Environmental Regulatory Supervisor

Approval Date: 10-5-14

Expiration Date: —

E-mail Address: boba@yatespetroleum.com.

Conditions of Approval:

Attached ☐

Date: October 2, 2014

Phone: 575-748-4217

1RP-

1RP-3365

* Attach Additional Sheets If Necessary

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OCT 08 2014