

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

30-015-26072

Release Notification and Corrective Action

nMLB 1114652317

OPERATOR

Initial Report Final Report

Name of Company Yates Energy Corp.	25542	Contact Sheryl Jonas
Address P. O. Box 2323, Roswell, NM 88202		Telephone No. (432) 683-5511
Facility Name Lonesome Dove Federal #1		Facility Type Tank Battery
Surface Owner Kramer & Murry	Mineral Owner BLM	Lease No. NMNM 69333

LOCATION OF RELEASE

Unit Letter	Section 26	Township 23S	Ran34 23 E	Feet from the 660	North/South Line south	Feet from the 1810	East/West Line west	County Eddy
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Condensate	Volume of Release 1 barrel	Volume Recovered 0
Source of Release Hole in tank #13951	Date and Hour of Occurrence	Date and Hour of Discovery 4/28/2011
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.	

RECEIVED
 MAY 24 2011
 NMOCD ARTESIA

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
BLM notified Operator of a leak in tank #13951. The well was immediately shut in on April 28, 2011, and 120 barrels produced water pulled out of the tank. Hole in tank approximatel 9' from bottom of tank.

Describe Area Affected and Cleanup Action Taken.*
The pumper has reported less than one barrel spilled. The well was placed back on production at 100 MCF/day bypassing the stac-pack on May 13, 2011; at this reduced rate no fluid will be produced. The fluids in the tank will be removed as soon as can be scheduled. The tank will be replaced as an oil tank and used as a water tank if repairable. The BLM believes there was more fluid lost than the one barrel. And we are in the process of discerning the correct amount.

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>Sheryl L. Jonas</i>	OIL CONSERVATION DIVISION	
Printed Name: Sheryl Jonas	Signed By: <i>Mike Benavente</i> Approved by District Supervisor:	
Title: Engineering Tech	Approval Date: <i>5/26/2011</i>	Expiration Date:
E-mail Address: Sjonas4011@aol.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION	Attached <input type="checkbox"/>
Date: 5/18/2011 Phone: 432-683-5511	PROPOSAL NOT LATER THAN: <i>6/26/2011</i>	

* Attach Additional Sheets If Necessary

2RP-787



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters) (In feet)

POD Number	Sub basin	Use	County	Q Q Q				Sec	Tws	Rng	X	Y	Depth		
				64	16	4	4						Well	Water	Column
C 01371	IRR	ED		1	3	4	10	23S	23E	538867	3575292*	170			
C 01485	C	DOM	ED		3	2	14	23S	23E	540578	3574395*	112	70	42	
RA 05904	STK	ED		1	1	08		23S	23E	534942	3576386*	295	260	35	
RA 06403	COM	ED		4	1	4	20	23S	23E	535860	3572265*	455	285	170	
RA 10193	STK	ED		3	3	1	16	23S	23E	536455	3574279*	189			
RA 10194	STK	ED		2	3	3	23	23S	23E	539885	3572082*	160			
RA 10195	STK	ED		3	1	3	25	23S	23E	541298	3570677*	336			
RA 10196	STK	ED		2	4	4	27	23S	23E	539489	3570472*	225			
RA 10197	STK	ED		1	1	3	29	23S	23E	534862	3570855*	63			

Average Depth to Water: **205 feet**

Minimum Depth: **70 feet**

Maximum Depth: **285 feet**

Record Count: 9

PLSS Search:

Township: 23S

Range: 23E

TRENCH MA = 125'-150'

*UTM location was derived from PLSS - see Help

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