District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., 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 Mex RECEIVED Energy Minerals and Natura

By JKeyes at 9:03 am, May 16, 2016

Oil Conservation Di 1220 South St. Francis Dr. Santa Fe, NM 87505

accordance with 19.15.29 NMAC.

R	elease	<b>Notification</b>	and 6	Corrective	Action
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	OPERATOR	port					
Name of Company	Contact						
Yates Petroleum Corporation	Chase Settle						
Address	Telephone No.						
104 S. 4 <sup>th</sup> Street, Artesia, NM 88210	575-748-4171						
Facility Name	Facility Type						
Lusk-Belco Water Line	Pipeline						
Surface Owner Mineral Owner	API No.						
State State	30-025-31042	A Particular Control Control Control					
LOCATION OF RELEASE							
	th/South Line Feet from the East/West Line County						
P 36 19S 32E	Lea						
Latitude <u>32.61124</u> Longitude <u>-103.71108</u>							
NATURE OF RELEASE							
Type of Release Crude Oil and Produced Water	Volume of Release Volume Recovered Unknown 0						
Source of Release	Date and Hour of Occurrence Date and Hour of Discovery						
Produced Water Line		4/28/2016; PM					
Was Immediate Notice Given?   ☐ Yes ☐ No ☐ Not Required	If YES, To Whom? Jamie Keyes, Ian Dolly, Amber Groves, Mathew Hagman, Mark Najanjo,						
Z 163 Z Not Require	Dana Strang						
By Whom?	Date and Hour						
Robert Asher	4/29/2016; 5:01 PM						
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.						
LI TES NO	N/A						
If a Watercourse was Impacted, Describe Fully.* N/A							
Describe Cause of Problem and Remedial Action Taken.*							
Release was caused by a failure of a 3" poly produced water line, a back	area of 20' X 5' was affected within the pipeline Right of Way. Valves were						
	area of 20 A 3 was affected within the pipeline Right of way. Valves were the line. Excavated soils will be hauled to an NMOCD approved facility. Vertical	al					
	PH & BTEX (chlorides for documentation). If initial analytical results for TPH &						
BTEX are under RRAL's (site ranking is 0) 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 to the OCD Depth to Ground Water: >100' (approximately 185', Section 36-T19S-R32E, per Trend Map),							
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							
	the NMOCD marked as "Final Report" does not relieve the operator of liability						
should their operations have failed to adequately investigate and remedi	iate contamination that pose a threat to ground water, surface water, human health	h					
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:	4						
	Approved by Environmental Specialist:						
Printed Name: Chase Settle	1. Approved by 2011 formation appearance.						
Title: NM Environmental Regulatory Agent	Approval Date: 05/16/2016 Expiration Date: 07/16/2016						
E mail Address, coattle@ustconstrule							
E-mail Address: csettle@yatespetroleum.com	Conditions of Approval:  Discrete site complex only Delinests and remediate  Attached	1 1					
Date: 5/12/2016 Phone: 575-748-4171	Discrete site samples only. Delineate and remediate per NMCOD guidelines.						