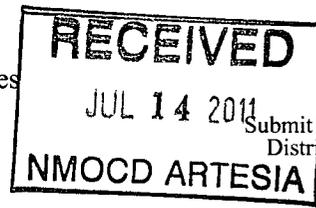


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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**

nMLB1122436063

**OPERATOR**

Initial Report  Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Jeremy Haass
Address 104 S. 4 <sup>TH</sup> 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.
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**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
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Latitude 32.73417 Longitude 104.38341

**NATURE OF RELEASE**

Type of Release Produced Water	Volume of Release 5 B/PW	Volume Recovered 4 B/PW
Source of Release Water line valve	Date and Hour of Occurrence 7/11/2011; 08:40 AM	Date and Hour of Discovery 7/11/2011; 08:45 AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour N/A	
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.\*  
Water line split in valve box inside a tin horn. Cause was deterioration. Impacted soil was removed and hauled off to approved disposal.

Describe Area Affected and Cleanup Action Taken.\*  
An approximate area of 10' X 12'. The valve was replaced, 4 of the 5 bbls of produced water was recovered. **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. Based on depth to ground water and the amount of water recovered, 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.

Signature:	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Jeremy Haass	Signed By Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: <b>AUG 12 2011</b>	Expiration Date: <b>NA</b>
E-mail Address: jhaass@yatespetroleum.com	Conditions of Approval: <b>NA</b> <b>2RP-836</b>	Attached <input type="checkbox"/>
Date: Thursday, July 14, 2011	Phone: 575-748-4311	

\* Attach Additional Sheets If Necessary

(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 6	Q 16	Q 4	Sec	Tws	Rng	X	Y	Depth Well	Depth Water	Water Column
RA 03634	OIL	ED	ED	3	1	4	11	18S	26E	560757	3624835*	1797		
RA 03639	OIL	ED	ED	4	4	3	11	18S	26E	560555	3624429*	1710		
RA 03654	DOM	ED	ED	1	3	1	04	18S	26E	556715	3627041*	100	50	50
RA 03731	DOM	ED	ED	1	1	1	14	18S	26E	559953	3624223*	120	30	90
RA 03732	DOM	ED	ED	4	2	4	08	18S	26E	556523	3624820*	200	175	25
RA 03750	STK	ED	ED	3	4	24	18S	26E	562465	3621299*	110	35	75	
RA 03756	DOM	ED	ED	1	1	4	10	18S	26E	559147	3625027*	148	55	93
RA 03760	DOM	ED	ED	1	3	1	04	18S	26E	556715	3627041*	100	60	40
RA 03771	DOM	ED	ED	3	1	3	22	18S	26E	558354	3621592*	110	75	35
RA 03789	DOM	ED	ED	4	3	1	10	18S	26E	558541	3625227*	114	50	64
RA 03818	DOM	ED	ED	4	4	05	18S	26E	556417	3626133*	100	60	40	
RA 03900	DOM	ED	ED	1	3	1	24	18S	26E	561557	3622206*	845	90	755
RA 03966	DOM	ED	ED	2	1	2	18	18S	26E	554513	3624205*	50	18	32
RA 03966	IRR	ED	ED	2	1	2	18	18S	26E	554513	3624205*	50	18	32
RA 04003	DOM	ED	ED	3	3	4	27	18S	26E	559161	3619578*	100		
RA 04004	DOM	ED	ED	3	2	2	21	18S	26E	557948	3622399*	140		
RA 04018	OBS	CH	CH	3	3	4	26	18S	26E	560762	3619581*	250		
RA 04022	OBS	CH	CH	2	1	35	18S	26E	560465	3619281*	520			
RA 04043	DOM	ED	ED	1	1	1	04	18S	26E	556712	3627444*	87	60	27
RA 04046	DOM	ED	ED	4	28	18S	26E	557859	3619879*	125				
RA 04101	DOM	ED	ED	3	3	3	08	18S	26E	555114	3624407*	210		
RA 04136	DOM	ED	ED	1	1	32	18S	26E	555246	3619273*	152	90	62	
RA 04137	DOM	CH	CH	1	2	1	04	18S	26E	557116	3627445*	742		
RA 04145	DOM	ED	ED	1	1	1	06	18S	26E	553492	3627435*	201	119	82
RA 04145	PRO	ED	ED	1	1	1	06	18S	26E	553492	3627435*	201	119	82
RA 04154	DOM	ED	ED	4	05	18S	26E	556213	3626333*	200				
RA 04160	OBS	ED	ED	1	4	1	29	18S	26E	555542	3620580*	160	100	60
RA 04283	OBS	LE	LE	1	4	3	20	18S	26E	555538	3621384*	158	125	33
RA 04287	DOM	ED	ED	1	2	4	21	18S	26E	557951	3621792*	170	140	30
RA 04309	DOM	ED	ED	1	21	18S	26E	557041	3622297*	180				
RA 04479	DOM	ED	ED	2	4	4	08	18S	26E	556525	3624616*	215	120	95
RA 04552	DOM	ED	ED	3	04	18S	26E	557023	3626335*	125				

\*UTM location was derived from PLSS - see Help