

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

NMLB 1122730397

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Amber Cannon
Address 105 S. 4 TH Street		Telephone No. 575-748-1471
Facility Name Loving AIB State #1	API Number 30-015-22889	Facility Type Battery
		Order Number 2RP-844

Surface Owner Fee	Mineral Owner Fee	Lease No. V-3346
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LOCATION OF RELEASE

Unit Letter G	Section 16	Township 23S	Range 28E	Feet from the 1550	North/South Line North	Feet from the 1780	East/West Line East	County Eddy
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NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 50 bbl PW	Volume Recovered 0 bbl PW
Source of Release Line pressured up and broke in tin horn	Date and Hour of Occurrence 7/17/2011 AM	Date and Hour of Discovery 7/17/2011 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher - NMOCD/Artesia	
By Whom? Bob Asher - Yates Petroleum Corporation	Date and Hour 7/18/2011 AM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

RECEIVED
JUL 22 2011
NMOCD ARTESIA

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
On 7/17/2011 a water line pressured up and broke at a weak point inside the tin horn. The water flowed out of the tin horn, behind the battery, in the pasture. Excavated soil will be disposed of at a NMOCD approved facility.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 50' X 50'. The impacted area flow paths ran east/southeast of the tin horn. Soil from the pooling areas will be excavated and disposed of at an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (Chlorides for reference). **Depth to Ground Water: <100' (approx. 55', per New Mexico Office of the State Engineer); Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 20.**

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>Amber Cannon</i>	OIL CONSERVATION DIVISION	
Printed Name: Amber Cannon	Signed By: <i>Mike Bratcher</i> Approved by District Supervisor:	
Title: Environmental Regulatory Agent Trainee	Approval Date: AUG 15 2011	Expiration Date:
E-mail Address: <i>acannon@yatespetroleum.com</i>	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	Attached <input type="checkbox"/>
Date: Wednesday, July 20, 2011 Phone: 575-748-4111	<i>9/15/2011</i>	

2RP-844

* Attach Additional Sheets If Necessary



New Mexico Office of the State Engineer

Wells with Well Log Information

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters)

POD Number	Sub basin	Use	County	Source	q	q	q	Sec	Tws	Range	X	Y	Start Date	Finish Date	Log File	Depth Well	Depth Water
<u>C 00311</u>	C	DOM	ED	Shallow	4	2	1	16	23S	28E	585353	3575152*	06/23/1952	07/05/1952	07/17/1952	163	55
<u>C 00520</u>	C	DOM	ED	Shallow	1	1	3	16	23S	28E	584754	3574538*	01/12/1954	01/19/1954	03/22/1954	115	33
<u>C 00521</u>	C	STK	ED	Shallow	1	1	3	16	23S	28E	584754	3574538*	01/03/1954	01/12/1954	03/22/1954	218	33

Record Count: 3

PLSS Search:

Section(s): 16

Township: 23S

Range: 28E

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

Bratcher, Mike, EMNRD

From: Bob Asher [BobA@yatespetroleum.com]
Sent: Monday, July 18, 2011 8:14 AM
To: Bratcher, Mike, EMNRD
Cc: Jerry Fanning; Lisa Norton; Amanda Trujillo; Amber Cannon; Jeremy Haass
Subject: Release (Loving AIB State #1 Battery)

Mike,

Yates Petroleum Corporation is reporting a release at the following location.

Loving AIB State #1 Battery
30-015-21821
Section 16, T23S-R28E
Eddy County, New Mexico

Date/Time of Release: 7/17/2011; PM

Released: Approximately 55 B/PW
Recovered: 0 B/PW

A C-141 Initial Report will be submitted with complete details.

Thank you.



Robert Asher

Senior Environmental Regulatory Agent
Yates Petroleum Corporation
575-748-4217 (Direct)
575-365-4021 (Cell)
boba@yatespetroleum.com