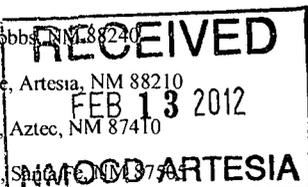


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505



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**

MLB 1204747359 OPERATOR  Initial Report  Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 105 S. 4 <sup>TH</sup> Street	Telephone No. 575-748-1471	
Facility Name Cheroot BPF State Com. #1	API Number 30-015-37555	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VO-7290
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**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	3	25S	27E	660	South	330	East	Eddy

Latitude 32.15358 Longitude 104.17037

**NATURE OF RELEASE**

Type of Release Oil	Volume of Release 45 B/O	Volume Recovered 40 B/O
Source of Release Production Tank	Date and Hour of Occurrence 1/10/2012; AM	Date and Hour of Discovery 1/10/2012; AM
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 II	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 1/30/2012, AM	
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.* Pipe tee on flow line ruptured causing oil to escape. Vacuum truck called.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 150' X 300' (production pad and east of pad in pasture area). Remaining oil recovered. Vegetation sprayed with Micro blaze and impacted soils being excavated and hauled to an NMOCD approved facility. Initial vertical and horizontal delineation samples with in the impacted area will be taken and analysis ran for TPH & BTEX. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL, a work plan will be submitted to the OCD. <b>Depth to Ground Water: 50-99' (70', Section 22, T24S-R27E, NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: &gt; 1000', SITE RANKING IS 10. Based on all oil being recovered and battery is lined, Yates Petroleum Corporation requests closure.</b>		
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: Robert Asher	Signed By: Approved by District Supervisor:	
Title: Senior Environmental Regulatory Agent	Approval Date: FEB 16 2012	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. <b>SUBMIT REMEDIATION</b>	Attached <input type="checkbox"/>
Date: Monday, February 13, 2012 Phone: 575-748-4021	<b>PROPOSAL NOT LATER THAN:</b> <u>3/16/2012</u>	

\* Attach Additional Sheets If Necessary

2RA-1030

## **Bratcher, Mike, EMNRD**

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**From:** Bob Asher [BobA@yatespetroleum.com]  
**Sent:** Monday, January 30, 2012 8:27 AM  
**To:** Bratcher, Mike, EMNRD; Dade, Randy, EMNRD  
**Cc:** Amanda Trujillo; Amber Cannon; Jeremy Haass; Jerry Fanning; Lisa Norton  
**Subject:** Release (Cheroot BPF State Com. #1)

Mike,

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

Cheroot BPF State Com. #1  
30-015-37555  
Section 3, T25S-R27E  
Eddy County, New Mexico

Released: 45 B/O; Recovered: 40 B/O.

Pipe Tee on flow line ruptured causing oil to escape flow line, well shut in and T replaced.  
Oil recovered by vacuum truck remaining dirt excavated and piled on pit lining.

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

Thank you.

**Robert Asher**

Senior Environmental Regulatory Agent  
Yates Petroleum Corporation  
105 S. Fourth Street  
Artesia, NM 88210  
575-748-4217 (Direct)  
575-365-4021 (Cell)