

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

**HOBBS OCD**

Form C-141  
Revised October 10, 2003

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

**OCT 11 2011**

Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

**RECEIVED**

**Release Notification and Corrective Action**

**OPERATOR**

Initial Report  Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 <sup>TH</sup> Street		Telephone No. 575-748-1471
Facility Name Fender BPQ State Com. #2	API Number 30-025-37765	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VA-2157
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**LOCATION OF RELEASE**

Unit Letter L	Section 17	Township 10S	Range 32E	Feet from the 1980	North/South Line South	Feet from the 660	East/West Line West	County Lea
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Latitude 33.44427 Longitude 103.70133

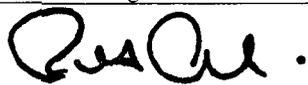
**NATURE OF RELEASE**

Type of Release Produced Water	Volume of Release 28 B/O & 17 B/PW	Volume Recovered 0 B/O & 0 B/PW
Source of Release Production tank	Date and Hour of Occurrence 9/27/2011, AM	Date and Hour of Discovery 9/27/2011, AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Maxey Brown/NMOCD I	
By Whom? Jeremy Haass/Yates Petroleum Corporation	Date and Hour 9/28/2011, PM (e-mail)	
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.\*  
Failed 1" valve on backside of production tank causing release. Roustabout crew called to make repairs.

Describe Area Affected and Cleanup Action Taken.\*  
An approximate area of 75' X 30'. Roustabout crew replaced vale. Impacted soils to be scraped up in release area. Vertical and horizontal delineation samples taken and analysis to be ran for TPH & BTEX (chlorides for documentation). If results are above RRAL's limits for the site ranking of twenty (20), then a work plan will be submitted, if results are below RRAL's limits for the site ranking of twenty (20), then closure will be requested. Currently the battery is being moved to the south side of the production pad, new battery will be lined. **Depth to Ground Water: <50' (approx. 39', per Chevron/Texaco Trend Map), 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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Robert Asher	Approved by District Supervisor:	3/30/12 <b>Accepted for Record Only</b>
Title: Environmental Regulatory Agent	Approval Date:	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: 1RP-3-12-2788	Attached <input type="checkbox"/>
Date: Friday, October 07, 2011 Phone: 575-748-4217		

\* Attach Additional Sheets If Necessary

APR 02 2012