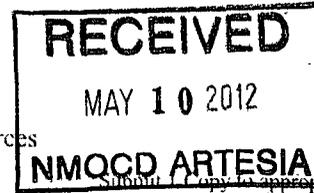


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Form C-141
Revised August 8, 2011

Release Notification and Corrective Action

NMLB 1215740218 OPERATOR Initial Report Final Report

Name of Company <i>Agave Energy Company</i> <i>147831</i>	Contact <i>Austin Weyant</i>
Address <i>105 South Fourth Street</i>	Telephone No. <i>575 748-4555</i>
Facility Name <i>Cohiba BPY #1</i> <i><YATES PET WELL></i>	Facility Type <i>well</i>
Surface Owner <i>NM State</i>	Mineral Owner _____ API No. <i>30015339990000</i>

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>C NW NW</i>	<i>1</i>	<i>25S</i>	<i>27E</i>					<i>EDDY</i>

Latitude *32.16466* Longitude *-104.14999*

NATURE OF RELEASE

Type of Release <i>Produced Water</i>	Volume of Release <i>5-20bbl</i>	Volume Recovered <i>20bbl</i>
Source of Release <i>Produce Water line 8" poly</i>	Date and Hour of Occurrence <i>3:00pm 4/26/12</i>	Date and Hour of Discovery <i>3:00pm 4/26/12</i>
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.*		
Describe Cause of Problem and Remedial Action Taken.* <i>Track hoe operator was taking dirt from the side of a trench and hit the 8" poly line with the bucket causing a gash and the subsequent release. The valve was shut at the Cohiba stopping the flow of produced water, a vacuum truck was used to remove the produce water and affected soil.</i>		
Describe Area Affected and Cleanup Action Taken.* <i>A small area inside the 10ft X 4ft trench was affected (see attached photo) by the produce water released. A vacuum truck removed the fluid and soil with in an hour after the incident. The line was then repaired and put back in service</i>		
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: *Austin Weyant*
Printed Name: *Austin Weyant*
Title: *Engineer Tech*
E-mail Address: *aweyant@yatespetroleum.com*
Date: *5/10/12* Phone: *575-748-4555*

OIL CONSERVATION DIVISION
Signed By: *Mike Beaman*
Approved by Environmental Specialist
Approval Date: *JUN 05 2012* Expiration Date: _____
Conditions of Approval:
Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN 7/1/2012**
Attached

* Attach Additional Sheets If Necessary

(OR C-141 form) 7/1/2012 2RP-1149

Bratcher, Mike, EMNRD

From: Austin Weyant [AWeyant@yatespetroleum.com]
Sent: Thursday, May 10, 2012 4:54 PM
To: Bratcher, Mike, EMNRD
Subject: Spill
Attachments: C141 CohibaBYP.pdf; Cohiba BPY #1 spill.jpg

Spill seems less than 5bbl, but according the truck invoice they hauled 20bbl probably from sucking down the line 8" poly line.

Thanks

Austin Weyant
Agave Energy Company
aweyant@yatespetroleum.com
575.748.4469 O
575.513.8988 C
575.748.4275 F

