

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. 1st Street, 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

HOBBS OCD

Form C-141
Revised October 10, 2003

JUN 11 2012
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 Amber Cannon
Address 105 S. 4 TH Street	API Number 30-025-39660	Telephone No. 575-748-1471
Facility Name Presidente BPD State Com #1H	Facility Type Well/Battery	
Surface Owner State	Mineral Owner State	Lease No. VB-0777 & VB-0787

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	32	25S	32E	330	North	660	West	Lea

Latitude 32.0931 Longitude 103.7033

NATURE OF RELEASE

Type of Release Produced water	Volume of Release 250 B/PW	Volume Recovered 220 B/PW
Source of Release Water transfer line	Date and Hour of Occurrence 6/5/2012; AM	Date and Hour of Discovery 6/5/2012; AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Geoffrey Leking	
By Whom? Robert Asher, Yates Petroleum Corporation	Date and Hour 6/5/2012 (Voicemail); 6/6/2012 (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 NMOCD TREND MAP - GW @ 305'

Describe Cause of Problem and Remedial Action Taken.*
An 8" water transfer line busted due to extreme pressure. Once the spill was identified the water transfer line was isolated at both ends. A vacuum truck was called in to recover produced water spilled.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 10' X 200' (inside lined/bermed battery and outside of secondary containment). The 30 bbls lost were outside of the bermed/lined battery. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX for area outside of lined battery. If initial analytical results for TPH & BTEX are under RRAL's (site ranking is 0) 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. **Depth to Ground Water: >100' (405', 21-26S-32E, per NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 0.**

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	Accepted for Record Only 6/13/12	
Title: Environmental Regulatory Agent	Approval Date	Expiration Date
E-mail Address: acannon@yatespetroleum.com	Conditions of Approval	Attached <input type="checkbox"/>
Date: Monday, June 11, 2012 Phone: 575-748-4111	2RP-	IRP-6-12-2822

* Attach Additional Sheets If Necessary

DSM 1217141491