

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

OPERATOR

Initial Report  Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Amber Cannon
Address 105 S 4 <sup>TH</sup> Street	Telephone No. 575-748-1471	
Facility Name Cigarillo SWD #1	API Number 30-015-21643	Facility Type SWD
		Order Number 2RP-849

Surface Owner State	Mineral Owner State	Lease No. L-4679
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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
G	36	23S	27E	1980	North	1980	East	Eddy

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 380 B/PW	Volume Recovered 367 B/PW
Source of Release Water pump	Date and Hour of Occurrence 7/24/2011 AM	Date and Hour of Discovery 7/24/2011 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/Artesia	
By Whom? Amanda Trujillo - Yates Petroleum Corporation	Date and Hour 7/24/2011 PM (Email)	
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.\*

A suction line on the primary water pump ruptured The suction line was isolated and re-routed A vacuum truck was called.

Describe Area Affected and Cleanup Action Taken.\*

An approximate area of 150' X 95'. The impacted area included inside the lined/bermed battery, outside the lined/bermed battery on the well pad site, and outside the fence to the west of the battery off the well pad site Water also traveled west along Bounds Road Impacted soils 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 documentation) If initial analytical results for TPH & BTEX are under RRAL's (site ranking is 10) 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: 50-99' (67', Section 35, T23S-R27E, NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 10. Based on impacted soils being excavated and hauled to a NMOCD approved facility, analytical results and findings of a legacy pit in section 1 of release creating elevated chloride levels, Yates Petroleum requests closure.**

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>	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Amber Cannon	Signed By <i>Mike Bratcher</i> Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: <b>JUL 16 2012</b>	Expiration Date: <i>N/A</i>
E-mail Address: acannon@yatespetroleum.com	Conditions of Approval: <i>N/A</i>	Attached <input type="checkbox"/>
Date: Tuesday, June 12, 2012	Phone: 575-748-4111	<i>Final</i>

\* Attach Additional Sheets If Necessary