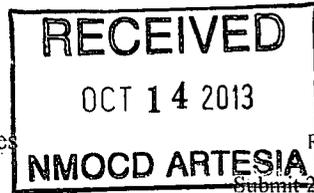


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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^o Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

nJMW 1329031870

OPERATOR

Initial Report Final Report

| | | |
|--|----------------------------|-------------------------------|
| Name of Company Yates Petroleum Corporation | OGRID Number 25575 | Contact Robert Asher |
| Address 104 S. 4 TH Street | | Telephone No. 575-748-1471 |
| Facility Name Leonard Federal #2 Battery | API Number 30-015-03767 | Facility Type Battery |

| | | |
|--------------------------|--------------------------|------------------------|
| Surface Owner Federal | Mineral Owner Federal | Lease No. LC-065108 |
|--------------------------|--------------------------|------------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| E | 34 | 17S | 29E | 1650' | North | 990' | West | Eddy |

Latitude 32.79359 Longitude -104.06744

NATURE OF RELEASE

| | | |
|--|--|---|
| Type of Release Oil | Volume of Release 7 B/O | Volume Recovered 6 B/O |
| Source of Release Production Tank | Date and Hour of Occurrence 9/26/2013; AM | Date and Hour of Discovery 9/26/2013; AM |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? N/A | |
| By Whom? N/A | Date and Hour N/A | |
| 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.*
Tank ran over, timer on pumping unit didn't shut off was the cause of the release. The well was shut in/unit turned off. Vacuum truck and crew to scrap up impacted soils was called to the location.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 4' X 25'. Impacted soils scraped up/hailed. Depth to Ground Water: >100' (approximately 150', per ChevronTexaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on remedial/clean up actions, Yates Petroleum Corporation 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: | OIL CONSERVATION DIVISION | |
| Printed Name: Robert Asher | Approved by District Supervisor: | |
| Title: NM Environmental Regulatory Supervisor | Signed By | |
| E-mail Address: boba@yatespetroleum.com | Approval Date: OCT 16 2013 | Expiration Date: |
| Date: Friday, October 11, 2013 Phone: 575-748-4217 | Conditions of Approval: | Attached <input type="checkbox"/> |

**Like approval by
BLM**

2RP-1994

* Attach Additional Sheets If Necessary

Bratcher, Mike, EMNRD

From: Bob Asher <BobA@yatespetroleum.com>
Sent: Monday, October 14, 2013 9:13 AM
To: Bratcher, Mike, EMNRD
Subject: Form C-141 Initial/Final (Leonard Federal #2)
Attachments: Leonard Federal 2 Battery.pdf

Mike,

I thought I emailed this to you last Friday, 10/11/2013, but did not see a sent copy.

Thank you.

Robert Asher

NM Environmental Regulatory Supervisor

Yates Petroleum Corporation

105 S. 4th Street

Artesia, NM 88210

575-748-4217 (Office)

575-365-4021 (Cell)

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