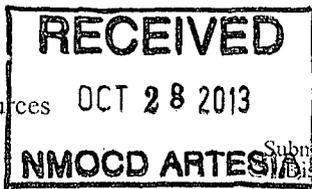


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

NJMW1332348624

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 Spearman KQ Federal #1	API Number 30-015-22861	Facility Type Battery

Surface Owner Fee	Mineral Owner Federal	Lease No. NM-9538
----------------------	--------------------------	----------------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
K	13	18S	24E	1980	South	1980	West	Eddy

Latitude 32.74642 Longitude 104.54369

NATURE OF RELEASE

Type of Release Oil & Produced Water	Volume of Release 15 B/O & 22 B/PW	Volume Recovered 10 B/O & 10 B/PW
Source of Release Production tank	Date and Hour of Occurrence 10/9/2013, AM	Date and Hour of Discovery 10/9/2013, 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? Robert Asher/YPC Environmental	Date and Hour 10/9/2013, 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.*
Hole in bottom of production tank.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 40' X 50'. Partial recovery oil and produced water, hole in line prevented total containment. Production tank to be removed with new tank installed and relocate battery to allow for impacted soils to be excavated/hailed to an NMOCD approved facility. Vertical/horizontal delineation samples were taken on 10/22/2013, sent to an NMOCD approved laboratory, analytical results are below RRAL's for the site ranking of (0) zero. **Depth to Ground Water: >100' (approx. 260', ChevronTexaco trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on impacted soils excavated/hailed, analytical results and new battery relocated, re-bermed and a new liner installed, 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: <i>Robert Asher</i>	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Signed By <i>Mike Bratcher</i>	
Title: Environmental Regulatory Agent	Approved by District Supervisor:	
E-mail Address: boba@yatespetroleum.com	Approval Date: OCT 30 2013	Expiration Date: <i>NA</i>
Date: Monday, October 28, 2013 Phone: 575-748-4217	Conditions of Approval: <i>NA</i>	Attached <input type="checkbox"/>
	2RP-	

* Attach Additional Sheets If Necessary

2RP-2069

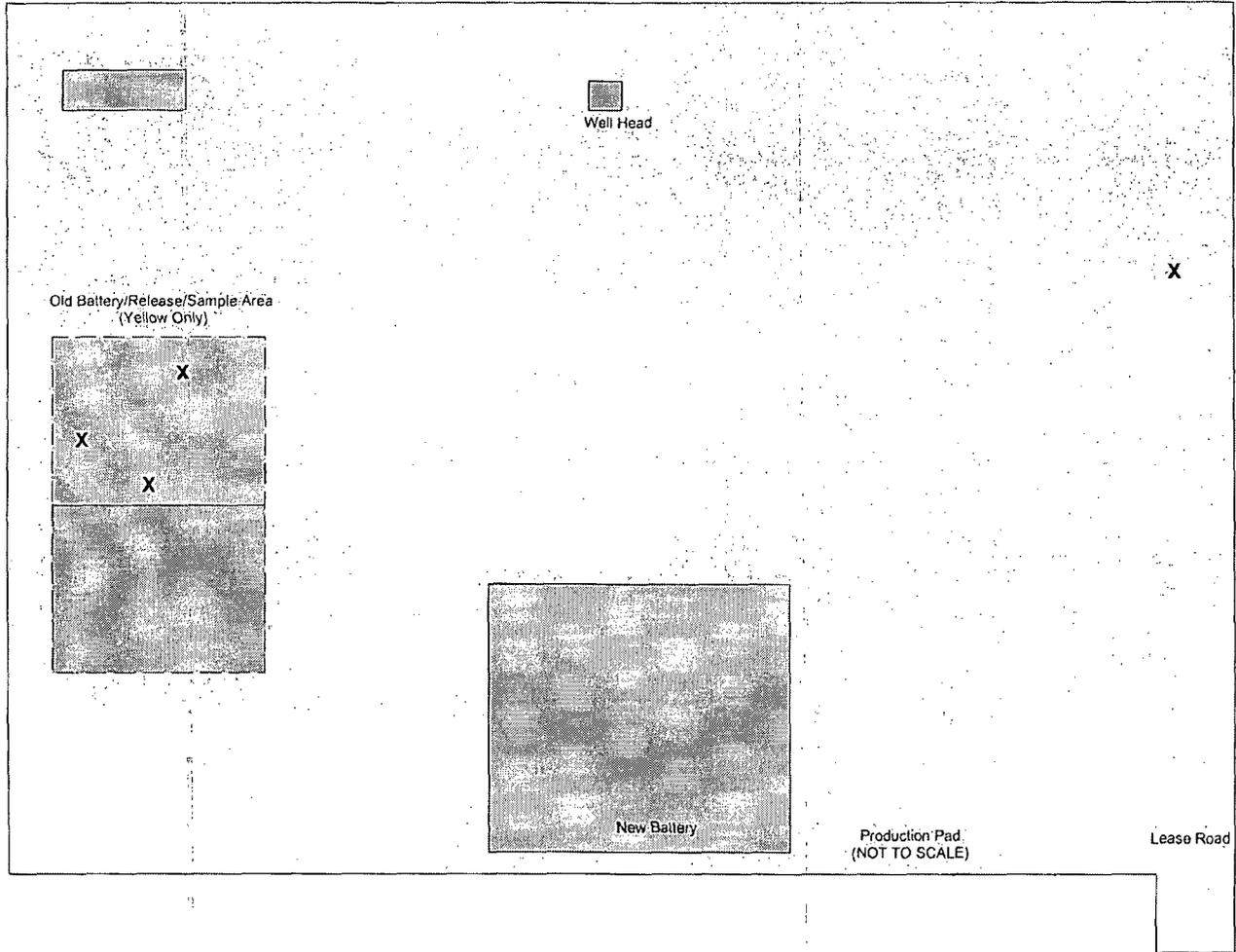
Bratcher, Mike, EMNRD

From: Bob Asher <BobA@yatespetroleum.com>
Sent: Monday, October 28, 2013 4:16 PM
To: Bratcher, Mike, EMNRD
Subject: C-141 Initial/Final Report (Spearman KQ Federal #1)
Attachments: Spearman KQ Federal 1.pdf

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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Analytical Report- 1317078 (Summit)	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	Chlorides
c01.0	Release/Excavation/ Sample Area	10/22/2013	Comp/Auger	12"	ND	ND	ND	ND

Site Ranking is Zero (0). Depth to Ground Water: >100'(approx. 260', per Trend Map).

All results are ppm. X - Sample Points

Released : 15 B/O & 22 B/PW; Recovered: 10 B/O & 10 B/PW. Release Date: 10/9/2013



Spearman KQ Federal Com. #1

30-015-22861

Section 13, T18S-R24E

Eddy County, NM

SAMPLE DIAGRAM(Not to Scale)

Prepared by Robert Asher
Environmental Regulatory Division



SUMMIT
ENVIRONMENTAL TECHNOLOGIES, INC.
Analytical Laboratories

LABORATORY REPORT

Client

Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210

Order Number

1317078

Project Number

Spearman KQ Federal Com. #1

Issued

Friday, October 25, 2013

Total Number of Pages

4 (excluding C.O.C. and cooler receipt form)

Approved By :

QA Manager



Certifications: A2LA/DOD 0724.01, Alabama 41600, Arkansas 88-0735, California 07256CA, Colorado, Connecticut PH-0105, Delaware, Florida NELAC E87688, Georgia E87688 and 943, Idaho OH00923, Illinois 200061 and Reg.5, Indiana C-OH-13, Kansas E-10347, Kentucky (underground Storage Tank) 3, Kentucky 90146, Louisiana 04061 and LA12004, Maine 2012015, Maryland 339, Massachusetts M-OPH923, Michigan (Reg.5), Minnesota 409711, Montana CERT0099, New Hampshire 2996, New Jersey OH006, New York 11777, North Carolina 39705 and 631, Ohio 4170, Ohio VAP CL0052, Oklahoma 9940, Oregon OH200001, Pennsylvania 68-01335, Rhode Island LA000317, South Carolina 92016001, Tennessee TN04018, Texas T104704466-11-5, Region 5 WG-15J, Region 8 BTMS-L, USDA/APHIS P330-11-00244, Utah OH009232011-1, Vermont VT-87688, Virginia 00440 and 1581, Washington C891, West Virginia 248 and 9957C and E87688, Wisconsin 399013010

"Analytical Integrity" • EPA Certified • NELAP Certified
3310 Win Street • Cuyahoga Falls, Ohio 44223 • Phone: 330-253-8211 • Fax: 330-253-4489
Web Site: www.settek.com



SUMMIT
ENVIRONMENTAL TECHNOLOGIES, INC.
Analytical Laboratories

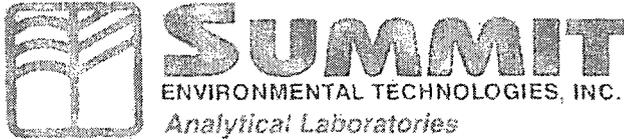
2

Sample Summary

Client: Yates Petroleum Corporation

Order Number: 1317078

Laboratory ID	Client ID	Matrix	Sampling Date
1317078-01	c01.0	Solid	10/22/2013



Report Narrative

Client: Yates Petroleum Corporation

Order Number: 1317078

Solid sample results are reported on a wet weight basis except as noted.
No problems were encountered during analysis of this order number, except as noted.

Method numbers, unless specified as SM or ASTM, are EPA methods.

Data Qualifiers:

B = Analyte found in the method blank
J = Estimated concentration of analyte between MDL (LOD) and Reporting Limit (LOQ)
C = Analyte has been confirmed by another instrument or method
E = Analyte exceeds the upper limit of the calibration curve.
D = Sample or extract was analyzed at a higher dilution
X = User defined data qualifier.
S = Surrogate out of control limits
U = Undetected
a = Not Accredited by NELAC

ND = Non Detected at LOQ
DF = Dilution Factor

Limit Of Quantitation (LOQ) = Laboratory Reporting Limit (not adjusted for dilution factor)
Limit Of Detection (LOD) = Method Detection Limit
Practical Quantitation Limit (PQL) = (same as LOQ)
Method Detection Limit (MDL) = (same as LOD)
Reporting Detection Limit (RDL) = (same as LOD)

Estimated uncertainty values are available upon request.

The test results meet the requirements of the NELAC standard, except where noted. The information contained in this analytical report is the sole property of Summit Environmental Technologies, Inc. and that of the client. It cannot be reproduced in any form without the consent of Summit Environmental Technologies, Inc. or the client for which this report was issued. The results contained in this report are only representative of the samples received. Conditions can vary at different times and at different sampling conditions. Summit Environmental Technologies, Inc. is not responsible for use or interpretation of the data included herein.

Matrices:
A = Air
C = Cream
DW = Drinking Water
L = Liquid
O = Oil
SL = Sludge
SO = Soil
S = Solid
T = Tablet
TC = TCLP Extract
WW = Waste Water
W = Wipe



SUMMIT
 ENVIRONMENTAL TECHNOLOGIES, INC.
 Analytical Laboratories

October 25, 2013

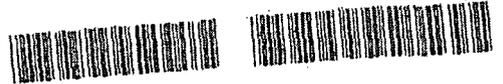
Client: Yates Petroleum Corporation
 Address: 105 S. 4th Street
 Artesia, NM 88210

Received: 10/24/2013

Project #: Spearman KQ Federal Com. #1

1,2,4-Trimethylbenzene(8021)										
Client ID#	Lab ID#	Collected	Analyte	Result	Units	Matrix	Method	DF	LOQ	Run Analyst
c01.0	1317078-01	22-Oct-13	1,2,4-Trimethylbenzene	ND	mg/Kg	S	8021	1	0.005	24-Oct-13 MS
1,3,5-Trimethylbenzene(8021)										
Client ID#	Lab ID#	Collected	Analyte	Result	Units	Matrix	Method	DF	LOQ	Run Analyst
c01.0	1317078-01	22-Oct-13	1,3,5-Trimethylbenzene	ND	mg/Kg	S	8021	1	5	24-Oct-13 MS
BTEX(OH)										
Client ID#	Lab ID#	Collected	Analyte	Result	Units	Matrix	Method	DF	LOQ	Run Analyst
c01.0	1317078-01	22-Oct-13	Benzene	ND	mg/Kg	S	8021	1	0.005	24-Oct-13 MS
c01.0	1317078-01	22-Oct-13	Toluene	ND	mg/Kg	S	8021	1	0.005	24-Oct-13 MS
c01.0	1317078-01	22-Oct-13	Ethylbenzene	ND	mg/Kg	S	8021	1	0.005	24-Oct-13 MS
c01.0	1317078-01	22-Oct-13	m-p Xylene	ND	mg/Kg	S	8021	1	0.005	24-Oct-13 MS
c01.0	1317078-01	22-Oct-13	o-Xylene	ND	mg/Kg	S	8021	1	0.005	24-Oct-13 MS
c01.0	1317078-01	22-Oct-13	% Surrogate Recovery	96.8	%	S	8021	1		24-Oct-13 MS
Client ID#	Lab ID#	Collected	Analyte	Result	Units	Matrix	Method	DF	LOQ	Run Analyst
c01.0	1317078-01	22-Oct-13	Chloride	65.6	mg/Kg	S	9056/300	1	50	24-Oct-13 KRC
MTBE(OH)										
Client ID#	Lab ID#	Collected	Analyte	Result	Units	Matrix	Method	DF	LOQ	Run Analyst
c01.0	1317078-01	22-Oct-13	MTBE	ND	mg/Kg	S	8021	1	0.005	24-Oct-13 MS
Client ID#	Lab ID#	Collected	Analyte	Result	Units	Matrix	Method	DF	LOQ	Run Analyst
c01.0	1317078-01	22-Oct-13	TPH-DRO	ND	mg/kg	S	8015 B	1	50	24-Oct-13 JBN
Client ID#	Lab ID#	Collected	Analyte	Result	Units	Matrix	Method	DF	LOQ	Run Analyst
c01.0	1317078-01	22-Oct-13	TPH-GRO	ND	mg/kg	S	8015 B	1	10	24-Oct-13 MS
c01.0	1317078-01	22-Oct-13	% Surrogate Recovery	88.7		S	8015 B	1		24-Oct-13 MS

Rev. 9.0
Date: 04/18/13



Summit Environmental Technology
Cooler Receipt Form

Order ID: 1317078

COOLE

Client: Yates Initials of person inspecting cooler and samples: 4/11

Date Received: 10-24-13 Order Number: _____

Number of Coolers/Boxes: 1 Time Received: (1020)

Shipper: FED EX UPS DHL Airborne US Postal Walk-in Pickup Other: _____

Packaging: Bubble Wrap Peanuts Paper Foam None Other: _____

Tape on cooler/box: _____ N N/A

Custody Seals Intact Y N N/A

C-O-C in plastic Y N N/A

Ice Blue Ice present / absent / melted N/A

Sample Temperature 4.3 °C N/A

Radiological Testing Y N N/A
If yes _____ count per minute

****Use 1 sheet per sample for Radiological Testing. If sample is HOT, the Radiological Safety Officer must be notified immediately.**

C-O-C filled out properly Y N N/A

Samples in separate bags Y N N/A

Sample containers intact* Y N N/A

*If no, list broken sample(s): _____

Sample label(s) complete (ID, date, etc.) Y N N/A

Label(s) agree with C-O-C Y N N/A

Correct containers used Y N N/A

Sufficient sample received Y N N/A

Bubbles absent from 40 mL vials** Y N N/A

** Samples with bubbles less than the size of a pea are acceptable.

Was client contacted about samples Y N

Will client send new samples Y N

Client contact: _____

Date/Time: _____

Logged in by: _____

Comments: _____

Bratcher, Mike, EMNRD

From: Bob Asher <BobA@yatespetroleum.com>
Sent: Wednesday, October 09, 2013 4:11 PM
To: Bratcher, Mike, EMNRD; Dade, Randy, EMNRD; jamos@blm.gov; dwhitloc@blm.gov
Cc: Amber Cannon; Katie Parker; Lupe Carrasco
Subject: Release Report (Spearman KQ Federal Com. #1)

Yates Petroleum Corporation is reporting a release at the following location (10/9/2013).

Spearman KQ Federal Com. #1
30-015-22861
Section 13, T18S-R24E
Eddy County, New Mexico

Released: Approximately 15 B/O & 22 B/PW; Recovered: In process at this time.

Cause of release is from hole in the bottom of the tank. Vacuum truck(s) were called, battery is bermed and lined.

A Form C-141 will be submitted with complete information.

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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11/12/13 @ 11:01 AM - Sent F/U email regarding not rec. the initial C-141 yet. (Jma)