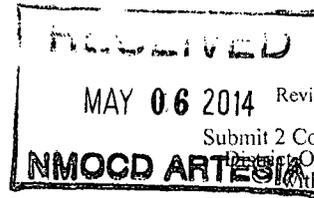


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

nHMP1413234669

OPERATOR

Initial Report Final Report

| | | |
|--|-----------------------------------|-------------------------------|
| Name of Company Yates Petroleum Corporation | OGRID Number 25575 | Contact Chase Settle |
| Address 104 S. 4 TH Street | Facility Name Julie #2 Battery | Telephone No. 575-748-4147 |
| Facility Name Julie #2 Battery | API Number 30-015-27047 | Facility Type Battery |
| Surface Owner Private | Mineral Owner Private | Lease No. |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| N | 8 | 19S | 25E | 660' | South | 1980' | West | Eddy |

Latitude 32.67011 Longitude -104.50950

NATURE OF RELEASE

| | | |
|--|--|---|
| Type of Release Crude Oil and Produced Water | Volume of Release 4 B/O and 3 B/PW | Volume Recovered 3 B/O and 2 B/PW |
| Source of Release Crude oil tank and produced water tank | Date and Hour of Occurrence 4/23/2014; AM | Date and Hour of Discovery 4/23/2014; 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.* There was a crude oil tank and a produced water tank that overflowed causing a release of crude oil and produced water. | | |
| Describe Area Affected and Cleanup Action Taken.* An approximate area of 282' X 25' was affected within the bermed battery. The release flowed onto a lined portion of the battery, approximately 1/3 the total area of the release. Vacuum trucks were called to remove standing fluid, and impacted soil was removed and taken to an NMOCD approved facility. Depth to Ground Water: >100' (approximately 105', Section 8, T19S-R25E, 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: | OIL CONSERVATION DIVISION | |
| Printed Name: Chase Settle | Approved by District Supervisor: | |
| Title: Environmental Regulatory Agent | Approval Date: <u>5/12/14</u> | Expiration Date: <u>NA</u> |
| E-mail Address: CSettle@yatespetroleum.com | Conditions of Approval: Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN: | Attached <input type="checkbox"/> |
| Date: Tuesday, May 06, 2014 Phone: 575-748-4171 | <u>6/12/14</u> | |

* Attach Additional Sheets If Necessary

2RP-2291

Bratcher, Mike, EMNRD

From: Tanna Adams <TCAAdams@yatespetroleum.com>
Sent: Tuesday, May 06, 2014 2:53 PM
To: Bratcher, Mike, EMNRD
Cc: Chase Settle; Bob Asher
Subject: Julie #2 Battery C-141
Attachments: Julie .pdf

Mr. Bratcher,

Here is the C-141 for the Julie #2 Battery.

Thank you,

Tanna Adams

Yates Petroleum Corporation
Environmental Tech
Environmental Department
TCAAdams@yatespetroleum.com

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