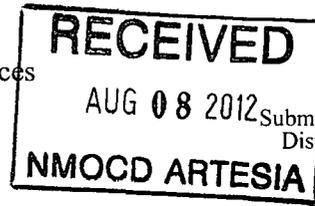


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

9 JMW1328229138

Release Notification and Corrective Action

MLB/2224032768

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Lupe Carrasco
Address 104 S. 4 TH Street		Telephone No. 575-748-1471
Facility Name Central Dagger Draw Water Transfer	API Number	Facility Type Water Transfer Station

Surface Owner Fed	Mineral Owner N/A	Lease No. N/A
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LOCATION OF RELEASE

Unit Letter I	Section 3	Township 20S	Range 24E	Feet from the 2080'	North/South Line FSL	Feet from the 660'	East/West Line FEL	County Eddy
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Latitude 32.60096 Longitude 104.56909

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 30 B/PW	Volume Recovered 20 B/PW
Source of Release Pump	Date and Hour of Occurrence 7/16/2012 AM	Date and Hour of Discovery 7/16/2012 PM
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 II	
By Whom? Lupe Carrasco, Yates Petroleum Corporation	Date and Hour 7/17/2012 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.*
Air eliminator tubing line broke causing water to flow out of broken line when pump was running.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 50' X 50'. Impacted soils to be scraped up and taken to an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX, Chlorides will be run for documentation. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL's a work plan will be submitted.
Depth to Ground Water: >100' (approximately 260', Section 3-T20S-R24E, per NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on recovered amounts of produced water, impacted soils excavated/hailed, and enclosed analytical results, Yates Petroleum Corporation request 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: Lupe Carrasco	Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: <u>5/16/14</u>	Expiration Date: <u>NA</u>
E-mail Address: <u>lcarrasco@yatespetroleum.com</u>	Conditions of Approval: 2RP-	Attached <input type="checkbox"/>
Date: Wednesday, August 08, 2012 1471	Phone: 575-748-	

2RP-1261