

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

HOBBS OCD

Form C-141
Revised October 10, 2003

SEP 24 2014
Submitted 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form
RECEIVED

Release Notification and Corrective Action

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 Taco AUK State #3	API Number 30-025-38288	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VO-1333
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LOCATION OF RELEASE

Unit Letter I	Section 10	Township 10S	Range 34E	Feet from the 1750'	North/South Line South	Feet from the 430	East/West Line East	County Lea
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Latitude 32.45919 Longitude 103.44440

NATURE OF RELEASE

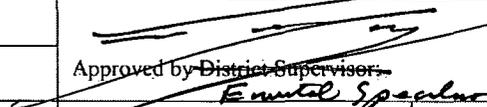
Type of Release Produced water	Volume of Release 33 B/PW	Volume Recovered 33 B/PW
Source of Release Production Tank	Date and Hour of Occurrence 8/17/2013 - AM	Date and Hour of Discovery 8/17/2013 - AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Geoff Leking/NMOCD I	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 8/19/2013 - AM	
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.*
Lightning struck fiberglass produced water tank causing produced water to be released. There was no fire that resulted in the lightning strike so the liner was not compromised. Vacuum truck and roustabout crew called.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 25' X 50'. All produced water contained within bermed/lined battery. Vacuum truck recovered all produced water. Tank struck by lightning was hauled to proper disposal facility, new tank set. **Depth to Ground Water: <50' (approx. 40', per the Chevron/Texaco trend map); Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 20. Based on all produced water recovered, and battery is bermed and lined, 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	Approval Date: <u>9-24-14</u>	Expiration Date: _____
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: IRP- _____	Attached <input type="checkbox"/>
Date: Thursday, August 29, 2013 Phone: 575-748-4217		<u>IRP-3350</u>

* Attach Additional Sheets If Necessary

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SEP 25 2014