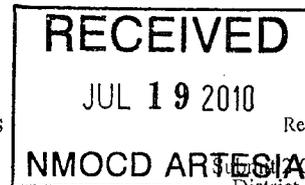


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

NKMLW 1035631836

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Amanda Trujillo
Address 104 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Hastie AXH Federal #1	API Number 30-015-31622	Facility Type Oil well
	Order Number 2RP-	

Surface Owner Federal	Mineral Owner Federal	Lease No. NMLC - 045818-B
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	17	17S	28E	1650	South	660	East	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 50 BBL	Volume Recovered 0
Source of Release Hole in the bottom of the tank	Date and Hour of Occurrence unknown	Date and Hour of Discovery 07/15/2010 - 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? Amanda Trujillo - Yates Petroleum Corporation	Date and Hour 11/15/2010 pm	
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.*
While gauging the tank it was discovered that the water level had dropped. Pumper assumed there was a hole in the bottom of the tank. Transferred the remaining fluid to another tank. And begin remediation work.

Describe Area Affected and Cleanup Action Taken.*
An approximate size of 15' x 15' was impacted. The impacted area is located beneath what was an oil tank. Soil was excavated and disposed of at an NMOCD approved facility. Vertical and horizontal delineation samples will taken and analysis ran for TPH and BTEX once all contaminated material has been removed. Chlorides can be provided upon request. Depth to Ground Water: <100' (approx. 100', per New Mexico Office of the State Engineer); Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 0. Based on site ground water quality and enclosed analytical results.

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>A Trujillo</i>	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Amanda Trujillo	Approved by District Supervisor	Signed By: <i>Mike Bratcher</i>
Title: Environmental Scientist	Approval Date: <i>3/21/11</i>	Expiration Date:
E-mail Address: atrujillo@yatespetroleum.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Monday, July 19, 2010 Phone: 575-748-4310	Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	

* Attach Additional Sheets If Necessary

4/21/11

2RP-516

Bratcher, Mike, EMNRD

From: Amanda Trujillo [atrujillo@yatespetroleum.com]
Sent: Thursday, July 15, 2010 4:21 PM
To: Bratcher, Mike, EMNRD
Cc: Jerry Fanning
Subject: Hastie AXH Federal #1

Mr. Mike Bratcher:

Yates Petroleum reports a release at the following location:

Hastie AXH Federal #1
Sec. 17, Township 17 South, Range 28 East
Eddy County
Date of Release: 07/15/10
Approximately 50 barrels of P/W were released
Cause of release has been isolated and repairs are in progress
Site will be evaluated and a work plan for remediation will be submitted for consideration

If you should have any questions please feel free to contact me at the number below.

Amanda N. Trujillo
Environmental Scientist
Yates Petroleum Corporation
Office 575-748-4310
Cell 575-703-6537
Email atrujillo@yatespetroleum.com

Bratcher, Mike, EMNRD

From: Amanda Trujillo [atrujillo@yatespetroleum.com]
Sent: Monday, July 19, 2010 5:07 PM
To: Bratcher, Mike, EMNRD
Cc: Jerry Fanning; Jennifer Palma; James_Amos@blm.gov
Subject: FW: Hastie AXH Federal #1
Attachments: Hastie AXH Federal Battery #1 (07-15-2010 Inital).pdf

Mike:

Attached is the C-141 for the Hastie AXH Federal #1. Please feel free to call if you have any questions.

Thank you,

Amanda N. Trujillo
Environmental Scientist
Yates Petroleum Corporation
Office 575-748-4310
Cell 575-703-6537
Email atrujillo@yatespetroleum.com

-----Original Message-----

From: Amanda Trujillo
Sent: Thursday, July 15, 2010 4:21 PM
To: 'Bratcher, Mike, EMNRD'
Cc: Jerry Fanning
Subject: Hastie AXH Federal #1

Mr. Mike Bratcher:

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