

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

nmlb 1122839220

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Amber Cannon
Address 105 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Cigarillo SWD #1	API Number 30-015-21643	Order Number 2RP-

Surface Owner State	Mineral Owner State	Lease No. L-4679
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LOCATION OF RELEASE

Unit Letter G	Section 36	Township 23S	Range 27E	Feet from the 1980	North/South Line North	Feet from the 1980	East/West Line East	County Eddy
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NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 380 B/PW	Volume Recovered 367 B/PW
Source of Release Water pump	Date and Hour of Occurrence 7/24/2011 AM	Date and Hour of Discovery 7/24/2011 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 7/24/2011 PM (Email)	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

RECEIVED
JUL 27 2011
NMOCD ARTESIA

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
A suction line on the primary water pump ruptured. The suction line was isolated and re-routed. A vacuum truck was called.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 150' X 95'. The impacted area included inside the lined/bermed battery, outside the lined/bermed battery on the well pad site, and outside the fence to the west of the battery off the well pad site. Water also traveled west along Bounds Road. Impacted soils will be excavated and disposed of at an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). If initial analytical results for TPH & BTEX are under RRAL's (site ranking is 10) a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL a work plan will be submitted to the OCD. **Depth to Ground Water: 50-99' (67', Section 35, T23S-R27E, NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 10.**

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>Amber Cannon</i>	OIL CONSERVATION DIVISION	
Printed Name: Amber Cannon	Signed By <i>Mike Bratcher</i> Approved by District Supervisor:	
Title: Environmental Regulatory Agent Trainee	Approval Date: AUG 16 2011	Expiration Date:
E-mail Address: <i>acannon@yatespetroleum.com</i>	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: <i>9/16/2011</i>	Attached <input type="checkbox"/>
Date: Tuesday, July 26, 2011 Phone: 575-748-4111		

2RP-849

* Attach Additional Sheets If Necessary