

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/122932473*

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Jeremy Haass
Address 104 S. 4 <sup>TH</sup> Street		Telephone No. 575-748-1471
Facility Name Allison CQ Fed. #6	API Number 30-015-23211	Facility Type P&A

Surface Owner Fee	Mineral Owner Federal	Lease No.
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LOCATION OF RELEASE

Unit Letter D	Section 13	Township 19S	Range 24E	Feet from the 990	North/South Line North	Feet from the 990	East/West Line West	County Eddy
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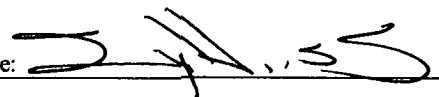
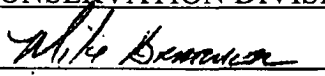
Latitude 32.66552 Longitude 104.5465

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 40 B/PW	Volume Recovered 28 B/PW
Source of Release Water Line	Date and Hour of Occurrence 7/30/2011 AM	Date and Hour of Discovery 7/30/2011 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 II	
By Whom? Amanda Trujillo, Yates Petroleum Corporation	Date and Hour 7/30/2011 AM (telephone)	<div>RECEIVED AUG 4 2011 NMOCD ARTESIA</div>
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.* Water line broke. Isolated line, called crew to fix leak and build contaminate area. Also called vac truck to recover discharged water.		

Describe Area Affected and Cleanup Action Taken.\*  
An approximate area of 30' X 90', all on well pad. Vacuum truck called to pick up remaining produced water, 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. 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 265', Section 12-T19S-R24E, 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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Jeremy Haass	Signed By  Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: <b>AUG 17 2011</b>	Expiration Date:
E-mail Address: jhaass@yatespetroleum.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. <b>SUBMIT REMEDIATION PROPOSAL</b> <b>OT LATER THAN:</b> <b>9/17/2011</b>	Attached <input type="checkbox"/>
Date: Monday, August 01, 2011	Phone: 575-748-1471	

\* Attach Additional Sheets If Necessary

*ZRP-855*