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 Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance

Form C-141

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action AMLB 1204741101 OPERATOR -**Initial Report** Final Report Name of Company OGRID Number Contact Yates Petroleum Corporation 25575 Robert Asher Telephone No. 104 S. 4TH Street 575-748-1471 **Facility Name** API Number Facility Type Foster AN #3 Battery 30-015-26914 Battery Mineral Owner Lease No. Surface Owner Federal Fee LOCATION OF RELEASE Feet from the North/South Line | Feet from the East/West Line Unit Letter Section **Township** Range County 660 North 660 Α 1 20S 24E East Eddv Latitude 32.60817 Longitude 104.53428 NATURE OF RELEASE Type of Release Volume of Release Volume Recovered Produced Water 110 B/PW 100 B/PW Source of Release Date and Hour of Occurrence Date and Hour of Discovery Water Transfer Pump 1/30/2012 - AM 1/30/2012 - AM Was Immediate Notice Given? If YES, To Whom? ☑ Yes ☐ No ☐ Not Required Mike Bratcher/NMOCD II By Whom? Date and Hour Robert Asher/Yates Petroleum Corporation 2/6/2012, PM Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☑ No If a Watercourse was Impacted, Describe Fully.* N/A MAR **26** 2012 Describe Cause of Problem and Remedial Action Taken.* Water pump power tripped causing water tanks to fill up and overflow. NMOCD ARTESIA Describe Area Affected and Cleanup Action Taken.* An approximate area of 25' x 10' inside battery. Produced water collected in lined area of battery (100 B/PW) and recovered. Initial vertical and horizontal delineation samples with in the impacted area will be taken and analysis ran for TPH & BTEX (chlorides for reference). If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. Delineation samples taken (3/12/2012), based on results will request closure. Depth to Ground Water: >100' (approximately 300', Section 1, T20S-R24E, NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on enclosed analytical reports, depth to groundwater/site ranking, 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. Approved by Signed Superison Beauty Signature: Printed Name: Robert Asher Approval Date APR 0 4 2012 Expiration Date: Title: Senior Environmental Regulatory Agent Conditions of Approval: E-mail Address: boba@yatespetroleum.com Attached

2RP-1028

Phone: 575-748-4217

Date: Monday, March 26, 2012

^{*} Attach Additional Sheets If Necessary