

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. 1st Street, 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

RECEIVED

JUL 05 2012

NMOCD ARTESIA

Form C-141
Revised October 10, 2003

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

Release Notification and Corrective Action

nJMW1219451259 OPERATOR ☒ Initial Report ☐ Final Report

| | | |
|--|--|-------------------------------|
| Name of Company Yates Petroleum Corporation | OGRID Number 25575 | Contact Amber Cannon |
| Address 105 S. 4 TH Street | API Number 30-015- 25638 | Telephone No. 575-748-1471 |
| Facility Name Olsen MY #1 (Dayton Water Line) | Facility Type Water line | |
| Surface Owner Fee | Mineral Owner Fee | Lease No. |

LOCATION OF RELEASE

30-015-23158

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| 1 | 33 | 18S | 26E | 2310 | South | 940 | East | Eddy |

Latitude 32.70337 Longitude 104.38105

NATURE OF RELEASE

| | | |
|---|--|---|
| Type of Release Produced water | Volume of Release 24 B/PW | Volume Recovered 20 B/PW |
| Source of Release Water line | Date and Hour of Occurrence 6/27/2012; PM | Date and Hour of Discovery 6/27/2012; PM |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? N/A | |
| By Whom? N/A | Date and Hour N/A | |
| 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.* A 4" water line burst when accidentally hit by lease operator while digging around the gas line that is located next to it. | | |
| Describe Area Affected and Cleanup Action Taken.* An approximate area of 4' X 6' (inside a tin horn). The line was isolated and a vacuum truck was called. It took approximately 10 minutes to isolate the incident and release was contained within the tin horn. All impacted soils will be taken to a NMOCD approved disposal 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 0) 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: >100' (168', Section 34, T18S-R26E, 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: <u>Amber Cannon</u> | OIL CONSERVATION DIVISION | |
| Printed Name: Amber Cannon | Signed By <u>Mike Benavides</u> | |
| Title: Environmental Regulatory Agent | Approved by District Supervisor: | |
| E-mail Address: acannon@yatespetroleum.com | Approval Date: JUL 12 2012 | Expiration Date: |
| Date: Thursday, July 05, 2012 Phone: 575-748-4111 | Conditions of Approval: 2RP-895 | Attached <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

Remediation per OCD Rules &
Guidelines. SUBMIT REMEDIATION
PROPOSAL N LATER THAN:

2

2RP-1219