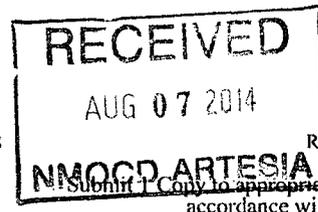


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 August 8, 2011

Release Notification and Corrective Action

NAB1422335222

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	<i>25575</i>	Contact Chase Settle
Address 104 S. 4 th Street		Telephone No. 575-748-4171
Facility Name Catclaw and Huisache Battery		Facility Type Battery

Surface Owner State	Mineral Owner State	API No. 30-015-26303
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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
H	2	20S	24E	1980'	North	660'	East	Eddy

Latitude *32.60455* Longitude *-104.55152*

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 25 B/PW	Volume Recovered 15 B/PW
Source of Release Failure of a produced water flow line	Date and Hour of Occurrence 7/24/2014; 2:30 PM	Date and Hour of Discovery 7/24/2014; 2:30 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher, Heather Patterson	
By Whom? Chase Settle	Date and Hour 7/25/2014; 2:45 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.*

There was a failure of a produced water flow line causing a release of produced water. Vacuum truck was dispatched to location and remained until line was repaired.

Describe Area Affected and Cleanup Action Taken.* An approximate area of 60' X 40' was affected outside the berm on the north side of the battery. Vacuum truck was called to remove the standing fluid and remain on location until repair was complete due to valve leakage preventing complete closure of the line. Backhoe was called to excavate impacted soil. Impacted soil will be hauled to 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 0) 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 to the OCD. **Depth to Ground Water: >100' (approximately 200', Section 2, T20S-R24E, per Trend Map), 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: <i>[Signature]</i>	OIL CONSERVATION DIVISION	
Printed Name: Chase Settle	Signed By <i>[Signature]</i> Approved by Environmental Specialist:	
Title: Environmental Regulatory Agent	Approval Date: <i>8/11/14</i>	Expiration Date: <i>N/A</i>
E-mail Address: csettle@yatespetroleum.com	Conditions of Approval: Remediation Per O.C.D. Rule & Guidelines	Attached <input type="checkbox"/>
Date: 08/07/2014 Phone: 575-748-4171	SUBMIT REMEDIATION PROPOSAL NO LATER THAN: <i>9/11/14</i>	

* Attach Additional Sheets If Necessary

2RP-2425