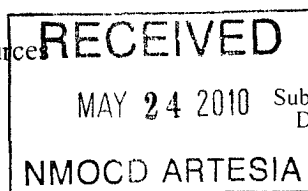


District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr., Santa Fe, NM 87505

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 10144476

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street		Telephone No. 575-748-1471
Facility Name Compromise SWD #1	API Number 30-015-25665	Facility Type Battery

Surface Owner Federal (Bureau of Reclamation)	Mineral Owner Federal	Lease No. NM-65392
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LOCATION OF RELEASE

Unit Letter H	Section 30	Township 18S	Range 27E	Feet from the 1980	North/South Line North	Feet from the 800	East/West Line East	County Eddy
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Latitude 32.72051 Longitude 104.31146

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 55 B/PW	Volume Recovered 45 B/PW
Source of Release Water Pump	Date and Hour of Occurrence 10/12/2009 - AM	Date and Hour of Discovery 10/12/2009 - AM
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.* Nipple broke on the discharge side of the water pump. Vacuum truck called.		

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 20' X 40'. Pump repaired. Vacuum truck recovered remaining produced water. Impacted soils to be excavated and taken to an NMOCD approved facility. Will conduct vertical & horizontal delineation to determine extent of contamination (samples will be sent to an NMOCD approved laboratory). Sample results will determine next actions (closure request or a work plan will be submitted). **Depth to Ground Water: < 50' (approximately 35'), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 20. Based on impacted soils excavated/removed and analytical results, 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.

Signature: <i>Robert Asher</i>	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by District Supervisor Signed By <i>Mike Brannan</i>	
Title: Environmental Regulatory Agent	Approval Date: MAY 24 2010	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval:	Attached <input checked="" type="checkbox"/>
Date: Monday, May 24, 2010	Phone: 575-748-4217	

* Attach Additional Sheets If Necessary

NMLB 1014442207

2RP-413