State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED
APR 2 0 2011
NMOCD ARTESIA

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
OPERATOR

NKmw 1111035693

☒ Initial Report   ☐ Final Report

Name of Company	OGRID Number	Contact
Yates Petroleum Corporation	25575	Amanda Trujillo

Address	Telephone No.
104 S. 4TH Street	575-748-1471

Facility Name	API Number	Facility Type	Order Number
Anemone ANE Federal #2	30-015-27982	Gas well	2RP-750

Surface Owner	Mineral Owner	Lease No.
Federal	Federal	NM - 78214

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	9	22S	24E	1090	NORTH	840	WEST	EDDY

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered
WATER and OIL	117 OIL 260 PW	80 OIL 240 PW

Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Equipment failure on pumps and alarms	4/15/2011	4/15/2011 - AM

Was Immediate Notice Given?	If YES, To Whom?
☒ Yes ☐ No ☐ Not Required	Mike Bratcher – NMOCD/Artesia

By Whom?	Date and Hour
Amanda Trujillo -- Yates Petroleum Corporation	04/15/2011 pm

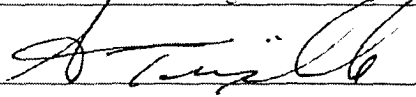| Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse.
☐ Yes ☒ No	N/A

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
Lost supply pressure to dumps on KO for Walt Canyon #6, and sent water to heater treater. Water over came heater and was sent to oil tank. Tank over ran from incoming volume. Alarm System failed. All fluids were held with in berm. Contributing wells were shut in and vacuum trucks were dispatched to the area to recover standing fluid.

Describe Area Affected and Cleanup Action Taken.*
An approximate size of 40' x 150' was impacted. The impacted area is located around the tanks, knockouts, heater treaters, and between the flow lines. Soil from the pooling areas was excavated and disposed of at an NMOCD approved facility. Vertical and horizontal delineation samples will taken and analysis ran for TPH and BTEX once all contaminated material has been removed. **Depth to Ground Water: >100' (approx. 585', per New Mexico State Engineers Office); 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:

Printed Name: Amanda Trujillo

Title: Environmental Scientist

E-mail Address: atrujillo@yatespetroleum.com

Date: Monday, April 18, 2011   Phone: 575-748-4310

* Attach Additional Sheets If Necessary

Testing required for
chlorides and/or any
potential contaminant

OIL CONSERVATION DIVISION

Approved by District Supervisor: *Mike Bratcher*

Approval Date: 4/20/11	Expiration Date:

Conditions of Approval:
Remediation per OCD Rules &
Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:**
5/20/11

Attached ☐

2RP-750