

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

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

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 Lotus SWD #2		Facility Type Battery

RECEIVED

By OCD District 1 at 3:21 pm, Jul 09, 2015

Surface Owner State	Mineral Owner State	API No. 30-025-31694
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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
G	32	22S	32E	1980	North	1980	East	Lea

Latitude 32.34961 Longitude 103.69412

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release 1 B/O & 559 B/PW	Volume Recovered 1 B/O & 550 B/PW
Source of Release Motor Valve	Date and Hour of Occurrence 6/19/2015; AM	Date and Hour of Discovery 6/19/2015; AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Kellie Jones, Ian Dolly, Mathew Hagman, Mark Naranjo & Dana Strang	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 6/19/2015; PM (Email)	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

The motor valve system failed, causing the release. Vacuum truck(s) and clean- up crews were called.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 80' X 20' within the lined/bermed battery was affected. The valves were closed; 100% of the released crude oil and approximately 98% of the produced water was recovered. Impacted gravel was excavated /hauled to a NMOCD approved facility. **Depth to Ground Water: > 100' (approximately 325', per ChevronTexaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on the battery being lined and bermed and the majority of the produced water recovered, 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: 	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by Environmental Specialist: 	
Title: NM Environmental Regulatory Supervisor	Approval Date: 07/09/2015	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: Site samples required. Delineate and remediate as per NMOCD guidelines.	Attached <input type="checkbox"/>
Date: June 30, 2015 Phone: 575-748-4217	1RP- 3721	25575

* Attach Additional Sheets If Necessary

pTO1519056190

nTO1519055552

Geotagged photographs of remediation required.