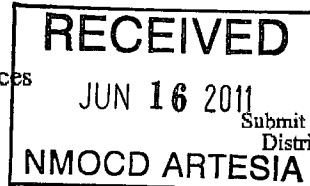


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

nmcb1122138961

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 Humidor BMJ State Com. #1	API Number 30-015-32889	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VA-1851
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LOCATION OF RELEASE

Unit Letter A	Section 23	Township 24S	Range 27E	Feet from the 990	North/South Line North	Feet from the 990	East/West Line East	County Eddy
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Latitude 32.20740 Longitude 104.15556

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 80 B/PW	Volume Recovered 0 B/PW
Source of Release Water pump discharge line	Date and Hour of Occurrence 6/2/2011; PM	Date and Hour of Discovery 6/2/2011; 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/NMOC D II	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 6/2/2011; 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.*

Discharge line on water pump blew off pump possible due to an increase in main line pressure. Discharge line isolated from main waterline. No produced water was recovered.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 20' X 30' (inside battery), 20' X 20' (production pad and area), 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 10) 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: 50-99' (70', Section 22, T24S-R27E, NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 10.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC D 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 NMOC D 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, NMOC D 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	Signed By	
Title: Senior Environmental Regulatory Agent	Approved by District Supervisor:	
E-mail Address: boba@yatespetroleum.com	Approval Date: AUG 09 2011	Expiration Date:
Date: Thursday, June 16, 2011 Phone: 575-748-4021	Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

Remediation per OCD Rules &
Guidelines. SUBMIT REMEDIATION
PROPOSAL NOT LATER THAN:

September 9, 2011

2RP-813



New Mexico Office of the State Engineer Wells with Well Log Information

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters)

POD Number	Sub basin	Use	County	Source	q q q	6416 4	Sec	Tws	Rng	X	Y	Start Date	Finish Date	Log File	Depth Well	Depth Water
<u>C 00342</u>	C	CLS	ED		4 1 13	24S	27E			580432	3565080*	06/29/1952	08/24/1952	08/11/1958	2565	
<u>C 00347</u>		EXP	ED	Shallow	1 1 13	24S	27E			580010	3565479*	07/02/1974	08/25/1976	07/01/1976	60	30
<u>C 00364</u>	C	CLS	ED		1 2 09	24S	27E			575997	3567043*			07/01/1958	2270	
<u>C 00516</u>		IRR	ED	Shallow	1 3 4	08	24S	27E		574288	3565901*	01/22/1955	01/27/1955	03/02/1955	105	36
<u>C 00516 POD6</u>		IRR	ED	Shallow	1 4 3	08	24S	27E		573885	3565895*	05/08/2006	05/09/2006	07/31/2006	78	17
<u>C 00516 S</u>		IRR	ED	Shallow	1 3 4	08	24S	27E		574288	3565901*	03/10/1956	03/15/1956	04/18/1956	50	17
<u>C 00631</u>	C	SAN	ED	Shallow	3 3 4	08	24S	27E		574288	3565701*	02/09/1955	02/11/1955	03/02/1955	50	24
<u>C 00683</u>	C	DOM	ED	Shallow	4 3 08	24S	27E			573986	3565796*	03/08/1956	03/10/1956	03/27/1956	50	17
<u>C 00821</u>	C	PRO	ED	Shallow	3 2 09	24S	27E			575996	3566635*	02/28/1958	03/01/1958	03/12/1958	87	50
<u>C 00850</u>	C	PRO	ED	Shallow	2 3 09	24S	27E			575595	3566223*	09/06/1958	09/08/1958	09/22/1958	108	35
<u>C 00929</u>	C	DOM	ED	Shallow	3 3 18	24S	27E			572013	3564159*	05/12/1959	05/15/1959	06/07/1960	54	33
<u>C 01169</u>	C	DOM	ED	Shallow	1 4 3	18	24S	27E		572282	3564261*	09/21/1963	09/23/1963	02/25/1964	55	35
<u>C 01187</u>	C	DOM	ED	Shallow	4 3 08	24S	27E			573986	3565796*	05/24/1964	05/28/1964	06/01/1964	108	17
<u>C 01366</u>		EXP	ED	Shallow	4 08	24S	27E			574590	3566003*	11/24/1966	11/26/1966	07/06/1967	60	35
<u>C 01452</u>	C	STK	ED	Shallow		22	24S	27E		577435	3563175*	07/21/1971	07/23/1971	08/02/1971	95	70
<u>C 01721</u>	C	STK	ED		1 25	24S	27E			580271	3562033*	01/02/1977	05/27/1977	06/01/1977	170	
<u>C 01841</u>	C	STK	ED		1 29	24S	27E			573806	3561953*	02/11/1979	02/15/1979	02/22/1979	150	
<u>C 01943</u>	C	STK	ED		1 13	24S	27E			580221	3565275*	09/15/1981	09/25/1981	06/11/1982	30	25
<u>C 02976</u>	C	STK	ED	Shallow	4 2 3	12	24S	27E		580519	3566195*	09/26/2003	09/27/2003	09/29/2003	57	27
<u>C 03037</u>	C	DOL	ED	Shallow	4 3 4	12	24S	27E		580930	3565795*	07/30/2004	07/31/2004	09/13/2004	116	25

*UTM location was derived from PLSS - see Help

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) {NAD83 UTM in meters}

POD Number	Sub	basin	Use	County	Source	q	q	q	Sec	Tws	Rng	X	Y	Start Date	Finish Date	Log File	Depth	Depth
																	Well	Water
C 03145	C		STK	ED	Shallow	3	1	4	13	24S	27E	580749	3564579*	03/03/2005	03/04/2005	03/21/2005	103	40

Record Count: 21

PLSS Search:

Township: 24S Range: 27E

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

6/13/11 9:19 AM

Page 2 of 2

WELLS WITH WELL LOG INFORMATION

Bratcher, Mike, EMNRD

From: Bob Asher [BobA@yatespetroleum.com]
Sent: Friday, June 03, 2011 4:11 PM
To: Bratcher, Mike, EMNRD
Cc: Jerry Fanning; Amanda Trujillo; Amber Cannon
Subject: Release (Humidor State Unit #1)

• Mike,

Yates Petroleum Corporation is reporting a release at the following location (voicemail: 6/2/2011 at 5:30 pm).

Humidor State Unit #1
30-015-32889
Section 23, T24S-R27E
Eddy County, New Mexico

Released: 80 B/PW
Recovered: 0 B/PW

The release was within the battery and the production pad.

A C-141 Initial Report will be submitted to your office.

Thank you.

Robert Asher
Senior Environmental Regulatory Agent
Yates Petroleum Corporation
Office: (575) 748-4217
Cell: (575) 365-4021
Fax: (575) 748-4662
boba@yatespetroleum.com