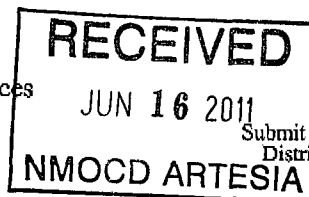


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 1122236644

OPERATOR

☒ Initial Report ☐ Final Report

| | | |
|--|----------------------------|-------------------------------|
| Name of Company Yates Petroleum Corporation | OGRID Number 25575 | Contact Robert Asher |
| Address 105 S. 4 TH Street | | Telephone No. 575-748-1471 |
| Facility Name Perdomo BMP State Com. #1 | API Number 30-015-36499 | Facility Type Water Line |

| | | |
|------------------------|------------------------|-------------------------------|
| Surface Owner State | Mineral Owner State | Lease No. VB-827 & VO-5867 |
|------------------------|------------------------|-------------------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|-----------------|--------------|-----------------------|---------------------------|----------------------|------------------------|----------------|
| Unit Letter L | Section 24 | Township 24S | Range 27E | Feet from the 1650 | North/South Line South | Feet from the 660 | East/West Line West | County Eddy |
|------------------|---------------|-----------------|--------------|-----------------------|---------------------------|----------------------|------------------------|----------------|

Latitude 32.20029 Longitude 104.15024

NATURE OF RELEASE

| | | |
|--|--|--|
| Type of Release Produced Water | Volume of Release 100 B/PW | Volume Recovered 90 B/PW |
| Source of Release Poly line | Date and Hour of Occurrence 6/9/2011; PM | Date and Hour of Discovery 6/9/2011; 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/NMOCD II | |
| By Whom? Bob Asher/Yates Petroleum Corporation | Date and Hour 6/10/2011; AM | |
| 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.*

8" poly line ruptured on a welded fuse, possibly due to an increase in main line pressure. Valves were isolated on the main waterline. Vacuum truck called.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 20' X 300' (Cigarillo SWD main line, approximately 0.4 miles west of Perdomo Battery). Remaining produced water recovered. 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 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.

OIL CONSERVATION DIVISION

Signature:

Printed Name: Robert Asher

Signed By
Approved by District Supervisor:

Title: Senior Environmental Regulatory Agent

Approval Date: AUG 10 2011

Expiration Date:

E-mail Address: boba@yatespetroleum.com

Conditions of Approval:

Attached ☐

Date: Thursday, June 16, 2011 Phone: 575-748-4021

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

9/10/2011

2RP-820

* Attach Additional Sheets If Necessary



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 | 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 | 06/25/1976 | 07/01/1976 | 60 | 30 |
| <u>C 00384</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 | 08 | 24S | 27E | | 575996 | 3566635* | 02/28/1958 | 03/01/1958 | 03/12/1958 | 97 | 50 |
| <u>C 00850</u> | C | PRO | ED | Shallow | 2 | 3 | 09 | 24S | 27E | | 575595 | 3566223* | 09/06/1958 | 09/09/1958 | 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

6/16/11 4:29 PM

Page 1 of 2

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 | Sec | Tws | Rng | X | Y | Start Date | Finish Date | Log File | Depth | Depth |
|------------|-----|-------|-----|--------|---------|---|---|---|-----|-----|-----|--------|----------|------------|-------------|------------|-------|-------|
| | | | | | | 6 | 4 | 1 | 6 | 4 | 13 | 24S | 27E | | | | 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.

6/16/11 4:29 PM