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

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State of New Mexico Energy Minerals and Natural Resources

Form C-141 Revised October 10, 2003

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

| nMLB1122741907 | OPER | ATOR | Initial Report | 🛛 Final Report |
|-------------------------------|---------------|---------------|---------------------------------------|---------------------------------------|
| Name of Company | OGRID Number | Contact | | · · · · · · · · · · · · · · · · · · · |
| Yates Petroleum Corporation | 25575 | Amber Cannon | | |
| Address | | Telephone No. | | |
| 105 S. 4 TH Street | | 575-748-1471 | | |
| Facility Name | API Number | Facility Type | | |
| NDDUP Unit #23 | 30-015-28424 | Well | · · · · · · · · · · · · · · · · · · · | |
| Surface Owner | Mineral Owner | <u> </u> | Lease No. | |
| State | State | | LG-864 | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| K | 16 | 19S | 25E | 1780' | South | 1980' | West | Eddy |
| | | 1 | | | | | | |

Latitude 32.65859 Longitude 104.49138

NATURE OF RELEASE

| Droduced Water: Iron Sulfido | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| Produced Water; Iron Sulfide 5-10 B/PW; Iron Sulfide 0 B/PW; Iron Sulfide | |
| Source of Release Date and Hour of Occurrence Date and Hour of Discovery | |
| Tank valve open 7/11/2011 7/11/2011 | |
| Was Immediate Notice Given? If YES, To Whom? | |
| Yes No X Not Required N/A | |
| By Whom? Date and Hour | |
| N/A N/A | |
| Was a Watercourse Reached? If YES, Volume Impacting the Watercourse RECEIVED | |
| $\Box Yes \boxtimes No N/A \Pi \Box U \Box I U \Box U$ | _ |
| If a Watercourse was Impacted, Describe Fully.* | |
| N/A JUL 22 Lott | |
| An experience of Problem and Remedial Action Taken." | le of |
| An operator was moving a rectangle tank and did not check the back valve to ensure that it was closed. When the land was been and the back was a produced water ran out of the tank and onto the location. | 18 01 |
| Describe Area Affected and Cleanup Action Taken.* | |
| An approximate area of 10' X 30' (all released water was contained on the wellpad). A crew was called out to location to excavate the impacted soils. | The |
| impacted soil will be taken to a NMOCD approved facility. Depth to Ground Water: 50-99' (approximately 95', Section 16, T19S-R25E, per | |
| NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. Based on the amount spilled and | that |
| impacted soils have been removed, 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 hea | lth |
| 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: UMDU AMNIM Signed By Milly Brancher | |
| Approved by District Supervisor: | |
| Printed Name: Amber Cannon | |
| AUG 1 5 2011 | |
| Title: Environmental Regulatory Agent Trainee AUG 1 5 2011 Expiration Date: | |
| | |
| E-mail Address: acannon@yatespetroleum.com Conditions of Approval: | |
| Remediation per OCD Rules & | |
| Date: Friday, July 22, 2011 Phone: 575-748-4111 Guidelines. SUBMIT REMEDIATION | |
| Attach Additional Shoata If Nanasaam | () |
| Attach Additional Sheets II Necessary PROPOSAL NOT LATER THAN: $\frac{9/15/2011}{2011}$ | 12 |
| | (r) |

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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) | | | | | | | | | (in feet) | | | | | | | |
|------------------------------------------------------------------------------------------------|--------------|-----|--------------|-------------------|------|------------|-----|-----|------------|------------------|----------|----------------------------|-------------|------------|----------------------|-----------|
| POD Number RA 02909 | Sub basin | | County ED | Source Shallow | 6410 | 6 4 | Sec | Tws | Rng 25E | 11 - 12 X | | Start Date . 06/26/1952 | Finish Date | Date | Depth Well 188 | · • • , • |
| RA 03018 | | sтк | ED | · | 32 | 4 | 34 | 19S | 25E | 549987 | 3608639* | | 02/01/1953 | 08/26/1953 | 530 | |
| RA 03304 | | DOM | ED | Shallow | | 1 | 27 | 195 | 25E | 549081 | 3610973* | 10/13/1954 | 10/15/1954 | 11/22/1954 | 130 | 60 |
| RA 03942 | | OBS | ED | Shallow | 32 | 4 | 30 | 19S | 25E | 545141 | 3610277* | 10/03/1958 | 10/08/1958 | 10/20/1958 | 270 | 222 |
| RA 03983 | | OBS | СН | Artesian | 4 | 3 | 01 | 19S | 25E | 552457 | 3616444* | 02/01/1959 | 02/02/1959 | 02/05/1959 | 375 | 100 |
| RA 04128 | | ѕтк | ED | Shallow | | 2 | 02 | 19S | 25E | 551443 | 3617449* | 11/27/1959 | 12/02/1959 | 12/07/1959 | 211 | 100 |
| RA 04208 | | PRO | ED | Shallow | 2 | 4 | 03 | 19S | 25E | 550036 | 3616845* | 04/15/1960 | 04/19/1960 | 02/02/1961 | 110 | |
| RA 04236 | | PRO | СН | Shallow | 33 | 1 | 02 | 19S | 25E | 550335 | 3617145* | 05/27/1960 | 05/31/1960 | 06/03/1960 | 360 | 204 |
| RA 04722 | | DOM | ED | | 3 | 1 | 02 | 19S | 25E | 550436 | 3617246* | 11/06/1962 | 11/07/1962 | 02/18/1963 | 200 | 42 |
| RA 04726 | | DOM | ED | Shallow | 3 | 2 | 19 | 195 | 25E | 544825 | 3612390* | 12/05/1962 | 12/20/1962 | 11/08/1962 | 390 | 310 |
| RA 05331 | | DOM | ED | Shallow | 1 1 | 4 | 05 | 195 | 25E | 546308 | 3616955* | 04/05/1967 | 04/13/1967 | 04/17/1967 | 460 | 305 |
| RA 05333 | | STK | ED | Shallow | 2 | 2 | 09 | 19S | 25E | 548430 | 3616046* | 04/18/1967 | 05/05/1967 | 05/12/1967 | 315 | 260 |
| RA 05450 | | STK | СН | Shallow | 4 | 2 | 15 | 19S | 25E | 550057 | 3614015* | 07/16/1968 | 07/21/1968 | 08/21/1969 | 204 | 80 |
| RA 05900 | | PRO | ED | Shallow | 2 | 2 | 16 | 19S | 25E | 548442 | 3614424* | 03/18/1974 | 03/19/1974 | 03/25/1974 | 185 | 95 🗸 |
| RA 06418 | | STK | ED | Shallow | 12 | 3 | 17 | 19S | 25E | 545925 | 3613710* | 12/11/1978 | 12/18/1978 | 12/26/1978 | 120 | 72 |
| RA 07639 | | PRO | ED | Shallow | 3 | 1 | 01 | 19S | 25E | 552049 | 3617250* | 02/19/1988 | 02/19/1988 | 03/04/1988 | 260 | 172 |
| RA 07832 | | PRO | ED | Shallow | 4 | 1 | 31 | 19S | 25E | 544438 | 3609170* | 08/02/1990 | 08/02/1990 | 10/23/1990 | 220 | 0 |
| RA 08986 | | PRO | ED | Shallow | 13 | 3 | 22 | 19S | 25E | 548767 | 3611683* | 05/15/1995 | 05/15/1995 | 05/17/1995 | 320 | 220 |
| RA 09293 | | DOM | ED | Shallow | 34 | 4 | 13 | 19S | 25E | 553180 | 3613114* | 11/07/1996 | 11/14/1996 | 11/26/1996 | 250 | 60 |
| RA 09294 | | EXP | ED | Shallow | 34 | 4 | 13 | 19S | 25E | 553180 | 3613114* | 10/10/1996 | 10/16/1996 | 11/19/1996 | 194 | 76 |

*UTM location was derived from PLSS - see Help

7/22/11 9:09 AM