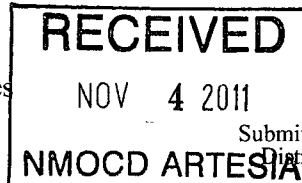


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. 1st Street, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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-1129332237

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Amber Cannon
Address 105 S. 4 TH Street		Telephone No. 575-748-1471
Facility Name Warren ANW Federal #3	API Number 30-015-28598	Facility Type Battery

Surface Owner Fee	Mineral Owner Federal	Lease No. NM-1372
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LOCATION OF RELEASE

Unit Letter O	Section 9	Township 19S	Range 25E	Feet from the 660	North/South Line South	Feet from the 1980	East/West Line East	County Eddy
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Latitude 32.66982 Longitude 104.4914

NATURE OF RELEASE

Type of Release Gas	Volume of Release Unknown MCF	Volume Recovered 0 MCF
Source of Release Gas line	Date and Hour of Occurrence 9/29/2011; PM	Date and Hour of Discovery 9/29/2011; 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 and Randy Dade/NMOCD II	
By Whom? Bob Asher/Yates Petroleum Corporation	Date and Hour 9/30/2011; 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.*

The gas line from the battery header to the main line developed a quarter size hole. Upon discovery of leak, valves were located to isolate section of gas line and affected wells were shut in.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 10' X 50' (pipeline right of way). A contractor was called in to find the hole in the gas line and to fix the line. As impacted soils are being dug out, they are being put on a plastic liner and samples will be taken from the stockpile to determine if the soils are suitable to re-use as backfill for the excavation. 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 0) 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: >100' (260', Section 9, T19S-R25E, NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 0. Based on site ranking 0 and analytical results Yates Petroleum Corporation requests closure, using excavated stockpile materials as backfill based on enclosed analytical results.**

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: <i>Amber Cannon</i>	OIL CONSERVATION DIVISION	
Printed Name: Amber Cannon	Approved by <i>Signed By Mike Bratcher</i>	
Title: Senior Environmental Regulatory Agent	Approval Date: NOV 04 2011	Expiration Date: N/A
E-mail Address: acannon@yatespetroleum.com	Conditions of Approval: N/A	Attached <input type="checkbox"/>
Date: Thursday, November 03, 2011	Phone: 575-748-4111	2RP-923 <i>Final</i>