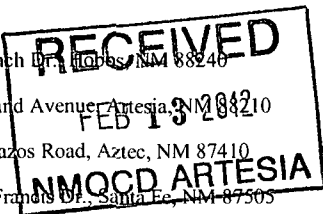


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505



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

MLB/20474244

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 Luminary BAU Federal Com. #2	API Number 30-005-63567	Facility Type Battery

Surface Owner Federal	Mineral Owner Federal	Lease No. NM-111037
--------------------------	--------------------------	------------------------

LOCATION OF RELEASE

Unit Letter A	Section 35	Township 11S	Range 26E	Feet from the 990	North/South Line North	Feet from the 990	East/West Line East	County Chaves
------------------	---------------	-----------------	--------------	----------------------	---------------------------	----------------------	------------------------	------------------

Latitude 32.32589 Longitude 104.30513

NATURE OF RELEASE

Type of Release Oil	Volume of Release 50 B/O	Volume Recovered 35 B/O
Source of Release Production Line	Date and Hour of Occurrence 1/28/2012 - AM	Date and Hour of Discovery 1/28/2012 - AM
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? Robert Asher/Yates Petroleum Corporation	Date and Hour 2/6/2012, 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.* Trash or paraffin in line caused water to go into oil tank to fill up and overflow oil on ground. Vacuum truck and backhoe crew called.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 50' x 40' inside battery. Remaining oil picked up by vacuum truck inside the battery. Impacted soils were excavated and hauled to an NMOCD approved facility. Initial vertical and horizontal delineation samples with in the impacted area will be taken and analysis ran for TPH & BTEX. If initial analytical results for TPH & BTEX are under RRAL's 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' (approximately 166', T11S-R26E, NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0.		
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	Signed By: Approved by District Supervisor:	
Title: Senior Environmental Regulatory Agent	Approval Date: FEB 16 2012	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: <u>3/16/2012</u>	Attached <input type="checkbox"/>
Date: Monday, February 13, 2012 Phone: 575-748-4217		

* Attach Additional Sheets If Necessary

2RP-1029

Bratcher, Mike, EMNRD

From: Bob Asher [BobA@yatespetroleum.com]
Sent: Monday, February 06, 2012 3:41 PM
To: Bratcher, Mike, EMNRD; Dade, Randy, EMNRD
Cc: Amanda Trujillo; Amber Cannon; Jeremy Haass; Jerry Fanning; Lisa Norton
Subject: Release: Luminary BAU Federal com. #2

Yates Petroleum Corporation is reporting a release at the following location.

Luminary BAU Federal Com. #2
30-005-63567
Section 35, T11S-R26E
Chaves County, New Mexico

Released: 50 B/O; Recovered: 35 B/O

Trash or paraffin in flow line caused water to go into oil tank and overflow oil out of tank.

I was not notified of release until today, which occurred on 1/28/2012; please contact me if there are any questions.

A Form C-141 Initial Report will be submitted with complete information.

Thank you.

Robert Asher

Senior Environmental Regulatory Agent
Yates Petroleum Corporation
105 S. Fourth Street
Artesia, NM 88210
575-748-4217 (Direct)
575-365-4021 (Cell)