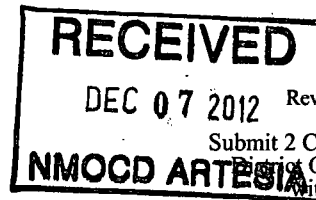


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. 1st Street, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

7 JMW 1219457259

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Amber Cannon
Address 105 S. 4 TH Street	API Number 30-015-25638	Telephone No. 575-748-1471
Facility Name Olsen MY #1 (Dayton Water Line)	Facility Type Water line	
Surface Owner Fee	Mineral Owner Fee	Lease No. <u>30-015-23158</u>

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	33	18S	26E	2310	South	940	East	Eddy

Latitude 32.70337 Longitude 104.38105

NATURE OF RELEASE

Type of Release Produced water	Volume of Release 24 B/PW	Volume Recovered 20 B/PW
Source of Release Water line	Date and Hour of Occurrence 6/27/2012; PM	Date and Hour of Discovery 6/27/2012; PM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour N/A	
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.* A 4" water line burst when accidentally hit by lease operator while digging around the gas line that is located next to it.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 4' X 6' (inside a tin horn). The line was isolated and a vacuum truck was called. It took approximately 10 minutes to isolate the incident and release was contained within the tin horn. All impacted soils will be taken to a NMOC D approved disposal facility. 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' (168', Section 34, T18S-R26E, NMOCSE), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 0. Based on excavation of impacted soils and analytical results, Yates Petroleum 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 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: <u>Amber Cannon</u>		OIL CONSERVATION DIVISION
Printed Name: Amber Cannon		Approved by District Supervisor <u>[Signature]</u>
Title: Environmental Regulatory Agent		Approval Date: <u>DEC 11 2012</u> Expiration Date: <u>N/A</u>
E-mail Address: <u>acannon@yatespetroleum.com</u>		Conditions of Approval: <u>N/A</u>
Date: Monday, December 03, 2012 Phone: 575-748-4111		Attached <input type="checkbox"/>
2RP- 1219 <u>[Signature]</u>		

* Attach Additional Sheets If Necessary