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

State of New Mexico Energy Minerals and Natural Resources

MAY 3 0 2014

RECEIVED

Form C-141 Revised October 10, 2003

Oil Conservation Division 1220 South St. Francis Dr. NMOCD ARTE District Office in accordance with Rule 116 on back

1220 S. St. Francis Dr., Santa Fe, NM 87505 side of form Santa Fe, NM 87505 Release Notification and Corrective Action tmp 14/5 732350 **OPERATOR** Initial Report Final Report OGRID Number Name of Company Contact Yates Petroleum Corporation 25575 Robert Asher Address Telephone No. 104 S. 4TH Street 575-748-1471 Facility Name API Number Facility Type Chamaeleon BIN State Com #1-H 30-015-37942 Battery Surface Owner Mineral Owner Lease No. State V-7653, V-7639, VO-7654 State LOCATION OF RELEASE Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line County 25 26S 27E 200 North R 1780 East Eddy

Latitude 32.01979 Longitude 104.14041

NATURE OF RELEASE Type of Release Volume of Release Volume Recovered Produced Water 300 B/PW 260 B/PW Source of Release Date and Hour of Occurrence Date and Hour of Discovery Water transfer pump 5/11/2014; AM 5/11/2014; AM Was Immediate Notice Given? If YES, To Whom? Mike Bratcher/NMOCD II By Whom? Date and Hour Robert Asher/Yates Petroleum Corporation 5/12/2014; AM Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes 🛛 No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.*

Poly line from the discharge pump ruptured. Vacuum truck(s), roustabout and backhoe crew called.

Phone: 575-748-4217

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 20' X 60' and 100' X 8' (partial released water was contained in lined/bermed battery), 50' X 200' (partial released area outside of battery). Water discharge poly line ruptured, valves were shut and vacuum trucks were called to vacuum up the spill, roustabout crew called to repair line, backhoe crew called to scrap up impacted soils on pad area (impacted soils taken to an NMOCD approved facility. Further excavation work to be conducted impacted soils will be taken to an NMOCD approved facility. Vertical and horizontal delineation samples outside of battery will be taken and analysis ran for TPH & BTEX (chlorides for documentation). If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the NMOCD requesting closure. If the analytical results are above the RRAL a work plan will be submitted to the NMOCD. Depth to Ground Water: <50' (approximately 25', per the ChevronTexaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 20.

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: Approved by District Supervisor: Printed Name: Robert Asher Title: NM Environmental Regulatory Supervisor Expiration Date: E-mail Address: boba@yatespetroleum.com Conditions of Approval: Attached Remediation per OCD Rule &

* Attach Additional Sheets If Necessary

Date: Friday, May 30, 2014

Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:

7.20-2326

Bratcher, Mike, EMNRD

From:

Tanna Adams <TCAdams@yatespetroleum.com>

Sent:

Friday, May 30, 2014 4:17 PM

To:

Bratcher, Mike, EMNRD

Cc:

Bob Asher

Subject:

Chamaeleon BIN State Com #1-H

Attachments:

Chamaeleon-Initial.pdf

Mr. Bratcher,

Please find attached the C141 Initial for the below listed location.

Chamaeleon BIN State Com #1-H 30-015-37942 Section 25, T26S-R27E 200 FNL & 1780 FEL Eddy County, New Mexico

Thank you,

Tanna Adams

Yates Petroleum Corporation Environmental Tech Environmental Department TCAdams@yatespetroleum.com

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Bratcher, Mike, EMNRD

From:

Katie Parker < Katie@yatespetroleum.com>

Sent:

Monday, May 12, 2014 4:02 PM

To:

Bob Asher; Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; Dade, Randy, EMNRD

Cc:

Amber Cannon; Chase Settle; Manuel Gonzalez; Tanna Adams

Subject:

Release Notification (Chameleon BIN State Com. #1-H)

Yates Petroleum Corporation is reporting a release at the following location (5/11/2014).

Chameleon BIN State Com. #1-H 30-015-37942 Section 25, T26S-R27E 200 FNL & 1780 FEL Eddy County, New Mexico

Released: 100 B/PW; Recovered: Unknown at this time.

Release cause unknown at time of notification, additional information will be submitted when official report received.

Thank you.

Katie Parker

Environmental Compliance & Reporting Manager Yates Petroleum Corporation 105 S. Fourth Street Artesia, NM 88210

Cell: 575-513-9915 Office: 575-748-4193

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