

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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 August 8, 2011

Submit Copy to appropriate District Office in accordance with 19.15.29 NMAC.

HOBBS OCD
JAN 05 2015
RECEIVED

Release Notification and Corrective Action

OPERATOR

Name of Company Yates Petroleum Corporation	Contact Amber Cannon
Address 104 S. 4 th Street	Telephone No. 575-748-1471
Facility Name Presidente BPD State Com #1H	Facility Type Well/Battery

Surface Owner State	Mineral Owner State	API No. 30-025-39660
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LOCATION OF RELEASE

Unit Letter D	Section 32	Township 25S	Range 32E	Feet from the 330	North/South Line North	Feet from the 660	East/West Line West	County Lea
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Latitude 32.0931 Longitude 103.7033

NATURE OF RELEASE

Type of Release Produced water	Volume of Release 40 B/PW	Volume Recovered 30 B/PW
Source of Release 8 inch water transfer line	Date and Hour of Occurrence 7/31/2014; AM	Date and Hour of Discovery 7/31/2014; AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Tomas Oberding, PhD/NMOCD I	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 8/1/2014; AM (Email)	
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.

An 8 inch water transfer line weld broke, causing the release. Shut well off and closed valves; vacuum truck(s) called.

Describe Area Affected and Cleanup Action Taken.

The line was repaired, well was shut off, and valves were closed to control the leak. Excavated soils will be hauled to a NMOCD approved 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's a work plan will be submitted to the OCD. Depth to Ground Water: > 100' (approximately 405', Section 32, T25S-R32E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Yates Petroleum requests closure based off all work being completed per NMOCD approved workplan.

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: <i>Amber Cannon</i>	Approved by Environmental Specialist:	
Printed Name: Amber Cannon	Approval Date: 1-5-15	Expiration Date: —
Title: NM Environmental Regulatory Agent	Conditions of Approval:	Attached <input type="checkbox"/>
E-mail Address: ACannon@yatespetroleum.com	1RP- 3227	
Date: December 19, 2014	Phone: 575-748-4111	

* Attach Additional Sheets If Necessary

PTO 1422331760

JAN 08 2015