

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

RECEIVED

SEP 24 2010

NMOCD ARTESIA

Form C-141
Revised October 10, 2003

2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

| | | | |
|--|----------------------------|-------------------------------|----------------------------|
| Name of Company Yates Petroleum Corporation | | OGRID Number 25575 | Contact Amanda Trujillo |
| Address 104 S. 4 TH Street | | Telephone No. 575-748-1471 | |
| Facility Name Ten Mile Unit #1 | API Number 30-005-63509 | Facility Type Gas well | Order Number 2RP- 437 |
| Surface Owner Fee | Mineral Owner State | Lease No. VA-1834 | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| G | 33 | 14S | 28E | 1650 | NORTH | 1650 | East | Chaves |

Latitude _____ Longitude _____

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release OIL & WATER | Volume of Release 155 | Volume Recovered 0 |
| Source of Release Open Valve | Date and Hour of Occurrence 9/23/2010 | Date and Hour of Discovery 9/24/2010 - 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 - NMOCD/Artesia | |
| By Whom? Amanda Trujillo - Yates Petroleum Corporation | Date and Hour 09/24/2010 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.*

Cattle broke trough the fence around the tank and kicked the gas valve open as well as a water tank line. Valves were shut off and a clean up crew was dispatched to make necessary repairs and remedial steps.

Describe Area Affected and Cleanup Action Taken.*

An approximate size of 21' x 60' was impacted. The impacted area is located around the water tank and east of the production unit. Soil from the pooling areas was excavated and disposed of at an NMOCD approved facility. Vertical and horizontal delineation samples will taken and analysis ran for TPH and BTEX once all contaminated material has been removed. Chlorides analysis upon request. Depth to Ground Water: >50' (approx. 75', per New Mexico ChevronTexaco Trend Map); Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 10. Based on site ground water quality and 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>A Trujillo</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Amanda Trujillo | Signed By: <i>Mike Bratcher</i> Approved by District Supervisor: | |
| Title: Environmental Scientist | Approval Date: SEP 28 2010 | Expiration Date: |
| E-mail Address: atrujillo@yatespetroleum.com | Conditions of Approval: REMEDATION per OCD Rules and Guidelines. SUBMIT REMEDIATION PROPOSAL BY: 10/28/10 | Attached <input type="checkbox"/> |
| Date: Friday, September 24, 2010 | Phone: 575-748-4310 | |

* Attach Additional Sheets If Necessary

PMCB 1027141786

Documentation for chloride
REQUIRED
No Analytical data was rec'd with this doc.

2RP-437