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**

| OPERATOR  |  |   |               |           | Initia                            | l Report | $\boxtimes$ | Final Report |
|---|--|---|---------------|-----------|-----------------------------------|----------|-------------|--------------|
| Name of Company OGRID Number Contact  Yates Petroleum Corporation 25575 Amber Cannon  |  |   |               |           |                                   |          |             |              |
| Tutoo Totto |  |   |               |           |                                   |          |             |              |
| Address<br>105 S. 4 <sup>TH</sup> Street  |  | Telephone No. 575-748-1471                            |               |           |                                   |          |             |              |
| Facility Name API Number F  |  |   |               |           |                                   |          |             |              |
| Dolores AIL Federal #1 30-015-26547 Battery   |  |   |               |           |                                   |          |             |              |
| urface Owner Mineral Owner  |  |   |               | Lease No. |                                   |          |             |              |
| Federal Federal   |  |   | NM-65418      |           |                                   |          |             |              |
| LOCATION OF RELEASE   |  |   |               |           |                                   |          |             |              |
| Unit Letter   Section   Township   Range   Feet from the   N  | North/   | South Line  | Feet from the | East/We   | Mari Decree of a constant         | County   |             |              |
| A 14 22S 31E 660'   | 1  | North   | 430'          | Ea        | ast                               | Eddy     |             |              |
| Latitude 32.396   | <br>594  | Longitude   | 103.74086     |           |                                   |          |             |              |
| NATURE OF RELEASE   |  |   |               |           |                                   |          |             |              |
| Type of Release   |  | Volume of Release                                     |               |           | Volume Recovered<br>0 B/PW; 0 B/O |          |             |              |
| Produced Water; Crude Oil Source of Release   | 20 B/PW; 1 B/O Date and Hour of Occurrence           |   |               |           | Date and Hour of Discovery        |          |             |              |
| Poly pipe on water line   |  | 4/21/2013; PM   |               |           | 4/21/2013, PM                     |          |             |              |
| Was Immediate Notice Given?  ☐ Yes ☐ No ☒ Not Requ  | ired   | If YES, To Whom?                                      |               |           |                                   |          |             |              |
| By Whom?  |  | Date and Hour   |               |           |                                   |          |             |              |
| NA NA   |  |   |               |           |                                   |          |             |              |
| Was a Watercourse Reached?  ☐ Yes ☒ 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.*   |  |   |               |           |                                   |          |             |              |
| The poly pipe ruptured on main water line. All wells were turned off, tank valves were shut and personnel made sure there was no continuation of a spill. The water line was repaired.  |  |   |               |           |                                   |          |             |              |
| Describe Area Affected and Cleanup Action Taken.*   |  |   |               |           |                                   |          |             |              |
| An approximate area of 36' X 100'. The release was around the tin horn to the east (across the lease road) of the Dolores battery. Some of the released water flowed across the lease road and onto the Dolores Battery production pad. All affected areas will have initial clean-up completed, and all excavated  |  |   |               |           |                                   |          |             |              |
| soils will be disposed of at an approved NMOCD facility. Vertical and horizontal delineation samples will be taken and sent to a NMOCD approved   |  |   |               |           |                                   |          |             |              |
| facility. Depth to Ground Water: >100' (approximately 448', Section 16, T22S-R31E, per NMOSE), Wellhead Protection Area: No, Distance to  |  |   |               |           |                                   |          |             |              |
| Surface Water Body: >1000', SITE RANKING IS 0. Yates Petroleum requests closure, please see attached cover letter for additional information.   |  |   |               |           |                                   |          |             |              |
| 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: Amber Cannon   |  |   |               |           |                                   |          |             |              |
| Signature. Carrotter  | Approved by District Supervisor: Accepted for Record |   |               |           |                                   |          |             |              |
| Printed Name: Amber Cannon  |  |   |               |           | cccpicc                           | 1101 KCC | J1 u        |              |
| Title: Environmental Regulatory Agent   | A  | approval Date   | e: 12/16/201  | 4 Ex      | piration I                        | Date: N  | J/A         |              |
| E-mail Address: acannon@yatespetroleum.com  | c  | Conditions of Approval:                               |               |           |                                   | Attached |             |              |
| Date: Monday, October 28, 2013 Phone: 575-748-4111  | 2  | 2RP-1635 Clean-up on Pad deferred until site closure. |               |           |                                   |          |             |              |
| Date: Monday, October 28, 2013 Phone: 575-748-4111  | Site off pad (section 3) not fully delineated        |   |               |           |                                   |          |             |              |

and will be monitored for chloride impact.