

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

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

Release Notification and Corrective Action

nHMP1414935465

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Chase Settle
Address 104 S. 4 TH Street		Telephone No. 575-748-4171
Facility Name Hanagan APL Federal Com #2-H	API Number 30-015-39511	Facility Type Battery

Surface Owner Federal	Mineral Owner Federal	Lease No. NM-62211
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	31	19S	30E	1600'	South	330'	West	Eddy

Latitude 32.61395 Longitude -104.01830

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 260 B/PW	Volume Recovered 248 B/PW
Source of Release Failure of a transfer pump to start.	Date and Hour of Occurrence 05/12/2014; AM	Date and Hour of Discovery 05/12/2014; 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, Randy Dade, Duncan Whitlock, and Jim Amos	
By Whom? Chase Settle	Date and Hour 05/12/2014 9:46 AM	
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.*

Failure of a transfer pump to start caused an overflow of produced water tank, wells were shut off, and vacuum truck was called to retrieve standing fluid.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 275' X 45' was affected within the lined/bermed battery. Vacuum truck was called to remove produced water. Vacuum truck removed standing fluid (248 B/PW) and the rest of the released fluid was entrenched in the sand and gravel within the lined berm. 95% of the released fluids were recovered using vacuum trucks, remaining fluid will be left to evaporate. Due to 95% recovery of fluids in a lined/bermed battery, a Final Report, C-141 is submitted to the OCD requesting closure. **Depth to Ground Water: 50-99' (approximately 80', Section 31, T19S-R30E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 10.**

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: 	OIL CONSERVATION DIVISION	
Printed Name: Chase Settle	Approved by District Supervisor: <i>MBratcher</i>	
Title: NM Environmental Regulatory Agent	Approval Date: 8/31/16	Expiration Date: N/A
E-mail Address: csettle@yatespetroleum.com	Conditions of Approval: N/A	Attached <input type="checkbox"/>
Date: Tuesday, May 20, 2014 Phone: 575-748-4171	2RP-2316 FINAL	

* Attach Additional Sheets If Necessary

Late entry by OCD

2RP-2316