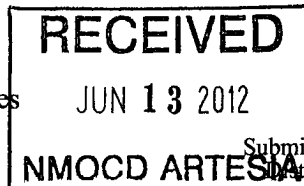


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. 1st Street, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

☐ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Amber Cannon
Address 105 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Achen Frey DM Battery	API Number 30-015-24536	Facility Type Battery

Surface Owner Fee	Mineral Owner Fee	Lease No.
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LOCATION OF RELEASE

Unit Letter I	Section 14	Township 17S	Range 25E	Feet from the 2310	North/South Line South	Feet from the 330	East/West Line East	County Eddy
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Latitude 32.83439 Longitude 104.44777

NATURE OF RELEASE

Type of Release Produced water/Crude Oil	Volume of Release 35 B/PW, 11 B/O	Volume Recovered 30 B/PW, 11 B/O
Source of Release Water leg on gun barrel	Date and Hour of Occurrence 3/20/2012; AM	Date and Hour of Discovery 3/20/2012; AM
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 II	
By Whom? Bob Asher/Yates Petroleum Corporation	Date and Hour 3/20/2012; 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.*
The water leg on the gun barrel broke releasing produced water and crude oil.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 141' X 30' (contained within an unlined bermed battery). Impacted soils will be excavated and disposed of at an 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 a work plan will be submitted to the OCD. **Depth to Ground Water: >100' (135', Section 14, T17S-R25E, NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 0. Based on impacted soils being excavated and hauled to a NMOCD approved facility and analytical results, Yates Petroleum requests closure.**

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: <u>Amber Cannon</u>	OIL CONSERVATION DIVISION	
Printed Name: Amber Cannon	Signed By <u>Mike Bratcher</u> Approved by District Supervisor	
Title: Environmental Regulatory Agent	Approval Date <u>JUL 17 2012</u>	Expiration Date: <u>N/A</u>
E-mail Address: <u>acannon@yatespetroleum.com</u>	Conditions of Approval: <u>N/A</u>	Attached <input type="checkbox"/>
Date: Tuesday, June 12, 2012 Phone: 575-748-4111	2RP-1075 <u>Final</u>	

* Attach Additional Sheets If Necessary