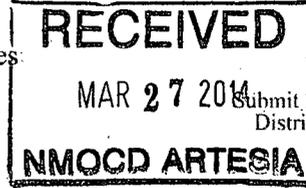


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

HMP 1409047345

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Chase Settle
Address 104 S. 4 TH Street	Facility Name Nix-Curtis BH Battery	Telephone No. 575-748-4171
Facility Name Nix-Curtis BH Battery	API Number 30-015-20070	Facility Type Battery
Surface Owner Private	Mineral Owner Private	Lease No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	30	18S	26E	2310	South	330	West	Eddy

Latitude: 32.71849 Longitude: -104.42865

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 200 B/PW	Volume Recovered 0 B/PW
Source of Release Failure of six (6) inch water line	Date and Hour of Occurrence 03/17/2014; AM	Date and Hour of Discovery 03/17/2014; 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, Randy Dade	
By Whom? Robert Asher	Date and Hour 03/18/2014 5:13 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.*
Release was caused by failure of a six (6) inch produced water line. Impacted soils have been excavated and line repaired.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 687'x170' was affected around the rupture site. Vacuum truck was called to remove produced water in the line and backhoe called to remove impacted soils. Excavated soils will be hauled to a NMOC D 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 10) 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: 50-99' (approximately 75', Section 30, T18S-R26E, 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 NMOC D 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 NMOC D 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, NMOC D 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:	
Title: NM Environmental Regulatory Agent	Approval Date: <u>3-31-14</u>	Expiration Date: <u>NA</u>
E-mail Address: csettle@yatespetroleum.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Thursday, March 27, 2014 Phone: 575:748-4171	Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:	

* Attach Additional Sheets If Necessary

2RP-2238
5-1-14