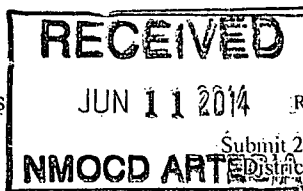


District I
1625 N. French Dr., Hobbs, NM 88240.
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

n HMP 1417B34904

OPERATOR		<input checked="" type="checkbox"/> Initial Report <input type="checkbox"/> Final Report
Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Chase Settle
Address 104 S. 4 TH Street		Telephone No. 575-748-4147
Facility Name Cotton Federal SWD	API Number 30-015-23315	Facility Type SWD
Surface Owner Federal	Mineral Owner Federal	Lease No. NM-36500

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
C	14	19S	25E	810'	North	2180'	West	Eddy

Latitude 32.66568 Longitude -104.45631

NATURE OF RELEASE

Type of Release Produced Water and Crude Oil	Volume of Release 7 B/PW and 3 B/O	Volume Recovered 6 B/PW and 2 B/O
Source of Release Gate valve failure on tank	Date and Hour of Occurrence 6/1/2014, PM	Date and Hour of Discovery 6/1/2014, PM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour N/A	
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.* A gate valve failure on the tank caused the tank to overflow.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 32' X 145' north of the tanks and 66' X 89' around and behind the tanks. All released water and crude oil was contained within the battery berm. The valve was closed and turned off, and vacuum trucks were called to retrieve standing fluid. Backhoe was also dispatched 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's a work plan will be submitted to the OCD. Depth to Ground Water: 50-99' (approximately 80', Section 14, T19S-R25E, 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.		

OIL CONSERVATION DIVISION	
Signature:	Approved by District Supervisor:
Printed Name: Chase Settle	Approval Date: 6/25/14 Expiration Date: NA
Title: Environmental Regulatory Agent	Conditions of Approval: Remediation per OCD Rule & Guidelines, & like approval by BLM. SUBMIT REMEDIATION
E-mail Address: CSettle@yatespetroleum.com	Attached <input type="checkbox"/>
Date: Wednesday, June 11, 2014 Phone: 575-748-4171	

* Attach Additional Sheets If Necessary

PROPOSAL NO LATER THAN:

7/25/14

ZRP-2355