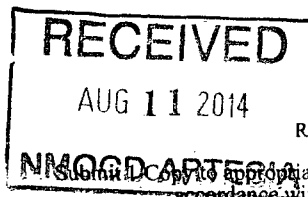


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 August 8, 2011

Submit Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

1422430329

Name of Company Yates Petroleum Corporation		25575	OPERATOR	<input checked="" type="checkbox"/> Initial Report <input type="checkbox"/> Final Report
Address 104 S. 4 th Street		Contact Robert Asher		
Facility Name Pathfinder AFT State #13		Telephone No. 575-748-1471		
		Facility Type SWD Battery		
Surface Owner State		Mineral Owner State		API No. 30-005-62829

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	21	10S	27E	2310	North	1850	West	Chaves

Latitude 33.43212 Longitude 104.20092

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 285 B/PW	Volume Recovered 260 B/PW
Source of Release Produced water tank	Date and Hour of Occurrence 7/29/2014; AM	Date and Hour of Discovery 7/29/2014; 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/NMOCD II	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 7/30/2014; AM (Email)	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*


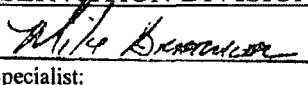
Describe Cause of Problem and Remedial Action Taken.*

Lighting struck the SWD facility (fiberglass produced water tank), causing the release and fire. Fire Department and vacuum truck(s) called.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 125' X 200' was affected. The spill was contained within the battery; after fire was extinguished vacuum trucks were called to recover produced water and water from fire trucks. Upon removal of equipment destroyed by lightning strike/fire, impacted soils will be excavated/hailed to a NMOCD approved facility. Vertical/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 NMOCD requesting closure. If results are above the RRAL's a work plan will be submitted to the NMOCD. Depth to Ground Water: 50-99' (approximately 75', per ChevronTexaco 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: Robert Asher	Signed By: 	
Title: NM Environmental Regulatory Supervisor	Approved by Environmental Specialist:	
E-mail Address: boba@yatespetroleum.com	Approval Date: 8/12/14	Expiration Date: N/A
Date: August 8, 2014 Phone: 575-748-4217	Conditions of Approval: Remediation Per O.C.D. Rule & Guidelines	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

SUBMIT REMEDIATION PROPOSAL NO
LATER THAN: 9/12/14

2RP-2429