

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

AMLA 1131145130

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 Zingaro ANG Federal #1 | API Number 30-015-27934 | Facility Type Battery |

| | | |
|--------------------------|--------------------------|-----------------------|
| Surface Owner Federal | Mineral Owner Federal | Lease No. NM-92742 |
|--------------------------|--------------------------|-----------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|--------------|-----------------|--------------|-----------------------|---------------------------|----------------------|------------------------|----------------|
| Unit Letter H | Section 1 | Township 22S | Range 23E | Feet from the 2182 | North/South Line North | Feet from the 872 | East/West Line East | County Eddy |
|------------------|--------------|-----------------|--------------|-----------------------|---------------------------|----------------------|------------------------|----------------|

Latitude 32.42166 Longitude 104.54764

NATURE OF RELEASE

| | | |
|--|--|---|
| Type of Release Gas | Volume of Release 100 MCF | Volume Recovered 0 MCF recovered |
| Source of Release Flow line | Date and Hour of Occurrence 10/28/2011; AM | Date and Hour of Discovery 10/28/2011; AM |
| 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 flow line leaked due to corrosion in the line. | | RECEIVED FEB 01 2012 NMOCD ARTESIA |

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 4' X 4'. Impacted soils will be excavated and taken to an NMOCD approved disposal facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX. 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' (Approx. 75', Section 1, T22S-R23E, Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 10. Based sample results, impacted soils removed and disposed at an NMOCD approved facility, Yates Petroleum Corporation 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>M. L. Brannan</u> Approved by District Supervisor. | |
| Title: Senior Environmental Regulatory Agent | | Approval Date: FEB 21 2012 | Expiration Date: <u>N/A</u> |
| E-mail Address: acannon@yatespetroleum.com | | Conditions of Approval: <u>N/A</u> | Attached <input type="checkbox"/> |
| Date: Tuesday, January 31, 2012 Phone: 575-748-4111 | | 2RP- <u>952</u> <u>Final</u> | |

* Attach Additional Sheets If Necessary