

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

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 Loving AIB State #1 | API Number 30-015-22889 | Facility Type Battery |
| | | Order Number 2RP- |

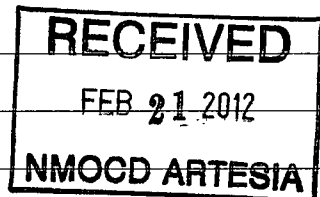
| | | |
|----------------------|------------------------|---------------------|
| Surface Owner Fee | Mineral Owner State | Lease No. V-3346 |
|----------------------|------------------------|---------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|-----------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|----------------|
| Unit Letter G | Section 16 | Township 23S | Range 28E | Feet from the 1550 | North/South Line North | Feet from the 1780 | East/West Line East | County Eddy |
|------------------|---------------|-----------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|----------------|

NATURE OF RELEASE

| | | |
|--|--|---|
| Type of Release Produced Water | Volume of Release Approx. 5 B/PW | Volume Recovered 0 B/PW |
| Source of Release 3" poly line | Date and Hour of Occurrence 2/14/2012 | Date and Hour of Discovery 2/14/2012 |
| 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.*

On 2/14/2012 the location experienced an equipment failure. A water truck was unloading water when a 3" poly line that was fused broke. A valve to the chemical injection line was shut off.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 30' X 3'. The impacted area flow paths ran east/southeast of the tin horn. Soil from the pooling areas 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 reference). **Depth to Ground Water: <100' (approx. 55', per New Mexico Office of the State Engineer); Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 20.**

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 | Approved by District Supervisor: <u>M. L. Brennan</u> | |
| Title: Environmental Regulatory Agent Trainee | Approval Date: FEB 23 2012 | Expiration Date: |
| E-mail Address: <u>acannon@yatespetroleum.com</u> | Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: <u>3/23/2012</u> | Attached <input type="checkbox"/> |
| Date: Monday, February 20, 2012 Phone: 575-748-4111 | | |

* Attach Additional Sheets If Necessary

2RP-1039



New Mexico Office of the State Engineer Wells with Well Log Information

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

(in feet)

| POD Number | Sub basin | Use | County | Source | q q q | 6416 4 | Sec | Tws | Rng | X | Y | Start Date | Finish Date | Log File | Depth Well | Depth Water |
|----------------|--------------|-----|--------|---------|-------|--------|-----|-----|-----|--------|----------|------------|-------------|------------|---------------|----------------|
| <u>C 00311</u> | C | DOM | ED | Shallow | 4 2 1 | 16 | 23S | 28E | | 585353 | 3575152* | 06/23/1952 | 07/05/1952 | 07/17/1952 | 163 | 55 |
| <u>C 00520</u> | C | DOM | ED | Shallow | 1 1 3 | 16 | 23S | 28E | | 584754 | 3574538* | 01/12/1954 | 01/19/1954 | 03/22/1954 | 115 | 33 |
| <u>C 00521</u> | C | STK | ED | Shallow | 1 1 3 | 16 | 23S | 28E | | 584754 | 3574538* | 01/03/1954 | 01/12/1954 | 03/22/1954 | 218 | 33 |

Record Count: 3

PLSS Search:

Section(s): 16

Township: 23S

Range: 28E

TM location was derived from PLSS - see Help

data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, availability, usability or suitability for any particular purpose of the data

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