

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

MLB 1205447578

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-1040
Surface Owner Fee	Mineral Owner State	Lease No. V-3346

LOCATION OF RELEASE

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

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 590 B/PW; <1 B/O	Volume Recovered 520 B/PW; <1 B/O
Source of Release Water pump	Date and Hour of Occurrence 2/17/2012	Date and Hour of Discovery 2/17/2012
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/Artesia	
By Whom? Amber Cannon - Yates Petroleum Corporation	Date and Hour 2/17/2012, AM (Via voicemail and Email)	
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 2/17/2012 the air eliminator on top of the water pump failed. This allowed water to flow through the pump and out of it onto the ground. The valve to the air eliminator was shut and a vacuum truck was called to pick up released water.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 96' X 32' (inside the lined/bermed battery), 100' x 100' (on wellpad) and 2' x 40' (off of well pad). The release took place inside of a bermed/lined tank battery, an unlined/bermed well pad, and also an area off the wellpad due to a berm drain valve being mistakenly left open (valve was closed upon discovery of it being opened). Release inside the lined/bermed battery was recovered by vacuum truck. All other impacted soils 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. Based on analytical results and impacted soils being excavated and hauled to a 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>Mike Bratcher</u> Approved by District Supervisor:	
Title: Environmental Regulatory Agent		Approval Date: <u>MAR 07 2012</u>	Expiration Date: <u>N/A</u>
E-mail Address: <u>acannon@yatespetroleum.com</u>		Conditions of Approval: <u>N/A</u>	Attached <input type="checkbox"/>
Date: Wednesday, March 07, 2012 Phone: 575-748-4111		<u>2RP-1040</u> <u>Final</u>	

* Attach Additional Sheets If Necessary

MLB 1205448450