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

Date: Thursday, April 19, 2012

* Attach Additional Sheets If Necessary

State of New Mexico
Energy Minerals and Natural Resources

APR **19** 2012

RECEIVED

Form C-141 Revised October 10, 2003

Oil Conservation Division 1220 South St. Francis Dr.

NMOCD ARTESIA

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back

side of form 1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 **Release Notification and Corrective Action OPERATOR** MUB/2/2852299 Initial Report Final Report OGRID Number Name of Company Contact Yates Petroleum Corporation 25575 Jeremy Haass Telephone No. Address 104 S. 4TH Street 575-748-1471 Facility Type Facility Name API Number Tackitt 'AOT' #1 30-015-28150 **Pumping Unit** Mineral Owner Surface Owner Lease No. Fee Fee N/A LOCATION OF RELEASE North/South Line Feet from the East/West Line Unit Letter Section Township Range Feet from the County 19S 25E 1650 South 990 East Eddy I 28 Latitude 32.62888 Longitude 104.48362 NATURE OF RELEASE Volume of Release Type of Release Volume Recovered Crude Oil & Produced Water 7 B/O & 3 B/PW 3 B/O & 2 B/PW Date and Hour of Occurrence Source of Release Date and Hour of Discovery 4/17/2012 AM **Pumping Unit** 4/17/2012 AM If YES, To Whom? Was Immediate Notice Given? ☐ Yes ☐ No ☒ Not Required N/A By Whom? Date and Hour N/A N/A If YES, Volume Impacting the Watercourse. Was a Watercourse Reached? ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Flow line became plugged, release from stuffing box on wellhead. Describe Area Affected and Cleanup Action Taken.* An approximate area of 20' X 70', all on well pad. Vacuum truck called to pick up remaining oil, impacted soils to be scraped up and taken to an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX, Chlorides will be sampled for documentation. If initial analytical results for TPH & BTEX are under RRAL's 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. Depth to Ground Water: >100' (approximately 125', Section 28-T19S-R25E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. 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. OIL CONSERVATION DIVISION Signature: Approved by Districts Byer Ison /4 Printed Name: Jeremy Haass Approval Date AY 0 7 2012 Title: Environmental Regulatory Agent Expiration Date: E-mail Address: jhaass@yatespetroleum.com Conditions of Approval: Remediation per OCD Rules & Attached

Guidelines. SUBMIT REMEDIATION

PROPOSAL NOT LATER THAN:

2RA-1112

Phone: 575-748-1471