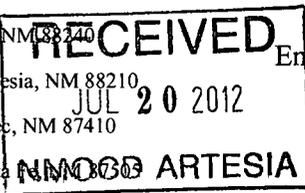


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505



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 1224032530

Release Notification and Corrective Action

NMLB 1224040442

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Lupe Carrasco
Address 104 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Central Dagger Draw Water Transfer	API Number	Facility Type Water Transfer Station

Surface Owner Fed	Mineral Owner N/A	Lease No. N/A
----------------------	----------------------	------------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	3	20S	24E	2080'	FSL	660'	FEL	Eddy

Latitude 32.60096 Longitude 104.56909

NATURE OF RELEASE

Type of Release Produced Water/Oil	Volume of Release 1 B/O, 40 B/PW	Volume Recovered 1 B/O, 30 B/PW
Source of Release Tanks ran over	Date and Hour of Occurrence 7/17/2012 PM	Date and Hour of Discovery 7/17/2012 PM
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? Lupe Carrasco, Yates Petroleum Corporation	Date and Hour 7/18/2012 PM (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.*
Release was due to the suction side of water pump being plugged. Tanks filled and ran over when pump was unable to move any water. Alarm system on tanks failed to alarm when tanks reached alarm level, also contributing to the discharge.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 45' X 30'. 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 run 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 260', Section 3-T20S-R24E, per NMOSE), 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.

Signature:	OIL CONSERVATION DIVISION	
Printed Name: Lupe Carrasco	Signed By Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: AUG 27 2012	Expiration Date:
E-mail Address: lcarrasco@yatespetroleum.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	Attached <input type="checkbox"/>

Date: Friday, July 20, 2012 Phone: 575-748-1471

* Attach Additional Sheets If Necessary
i MLB 1224040812 NMLB 1224040866

9/27/12

Bratcher, Mike, EMNRD

From: Lupe Carrasco [LCarrasco@yatespetroleum.com]
Sent: Wednesday, July 18, 2012 2:15 PM
To: Bratcher, Mike, EMNRD
Cc: jamos@blm.gov; Amanda Trujillo; Amber Cannon; Bob Asher; Danica Watson; Jennifer Valenzuela; Jeremy Haass; Jerry Fanning; Katie Parker; Lisa Norton; Susan Glass; Tendayi Thorson
Subject: Release (Central Dagger Draw Water Transfer)

Yates Petroleum Corporation is reporting a release at the following location (7/18/2012, PM).

Central Dagger Draw Water Transfer
Section 3, T20S R24E
Eddy County, New Mexico

Released: 40 B/PW, 1 B/O; Recovered: 30 B/PW, 1B/O

Release was due to the suction side of water pump being plugged. Tanks filled and ran over when pump was unable to move any water. Alarm system on tanks failed to alarm when tanks reached an alarm level also contributing to the discharge.

A Form C-141 Initial Report will be submitted with complete information.

Thank you.

Lupe Carrasco
Environmental Regulatory Agent
Yates Petroleum Corporation
Office: (575) 748-4350
Fax: (575) 748-4131
Cell: (575) 513-9074

This message may contain confidential information and is intended for the named recipient only. If you are not the intended recipient you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited. E-mail transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this message, which arise as a result of e-mail transmission. If verification is required please request a hard-copy version.
