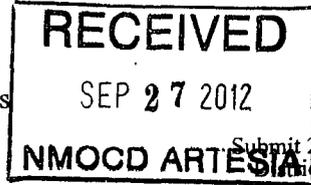


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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
Copies to appropriate
Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

AKW 111034072

OPERATOR Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Amanda Trujillo
Address 104 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Nickson BM #2	API Number 30-015-20775	Facility Type Flowline
		Order Number 2RP- 748
Surface Owner Fee	Mineral Owner Fee	Lease No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	30	18S	26E	330	NORTH	330	East	EDDY

NATURE OF RELEASE

Type of Release WATER - PRODUCES	Volume of Release 50	Volume Recovered 30
Source of Release PVC waterline under ground	Date and Hour of Occurrence 4/11/2011	Date and Hour of Discovery 4/11/2011 - 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/Artesia	
By Whom? Bob Asher - Yates Petroleum Corporation	Date and Hour 04/12/2011 pm	
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.* PVC waterline broke approximately 100 yards from well. Wells were shut in and water pumps off. Line was dug up and repaired. Vacuum trucks were dispatched to retrieve standing fluid and contractors were dispatched to remove contaminated soil and make necessary repairs.		
Describe Area Affected and Cleanup Action Taken.* An approximate size of 2' x 450' was impacted. The impacted area is located approximately 100 from well. Fluid ran along road to the Northeast. Vertical and horizontal delineation samples will be taken and analysis ran for TPH and BTEX once all contaminated material has been removed. Depth to Ground Water: >100' (approx. 190', per New Mexico State Engineers office); 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: <i>A Trujillo</i>	OIL CONSERVATION DIVISION	
Printed Name: Amanda Trujillo	Approved by District Supervisor: <i>M Bratcher</i>	
Title: Environmental Scientist	Approval Date: <i>11/2/12</i>	Expiration Date: <i>N/A</i>
E-mail Address: atrujillo@yatespetroleum.com	Conditions of Approval: <i>N/A</i>	Attached <input type="checkbox"/>
Date: Monday, July 09, 2012 Phone: 575-748-4310		

* Attach Additional Sheets If Necessary

2RP-748