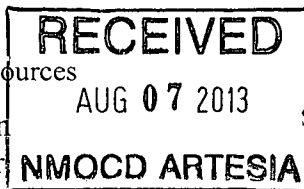


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

nJMW 1321937948

OPERATOR

☒ Initial Report ☒ Final Report

| | | |
|------------------------------------------------|----------------------------|-------------------------------|
| Name of Company Yates Petroleum Corporation | OGRID Number 25575 | Contact Lupe Carrasco |
| Address 104 S. 4 TH Street | API Number 30-015-38990 | Telephone No. 575-748-1471 |
| Facility Name Grateful "BOD" Fed. Com #1H | Facility Type Battery | |

| | | |
|--------------------------|--------------------------|-------------------------|
| Surface Owner Federal | Mineral Owner Federal | Lease No. NM-0437523 |
|--------------------------|--------------------------|-------------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|-----------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|----------------|
| Unit Letter A | Section 13 | Township 18S | Range 29E | Feet from the 786' | North/South Line North | Feet from the 545' | East/West Line East | County Eddy |
|------------------|---------------|-----------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|----------------|

Latitude 37.75251 Longitude -104.02095

NATURE OF RELEASE

| | | |
|------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------|
| Type of Release Crude Oil | Volume of Release 7 B/O | Volume Recovered 2 B/O |
| Source of Release Tank | Date and Hour of Occurrence 7/26/13 9:30 Am | Date and Hour of Discovery 7/26/13 9:30 AM |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | |
| By Whom? | Date and Hour | |
| 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.*

Dumps on Knockout stuck and did not close causing gas to push back into the tanks. This caused oil in tank to splash out of the thief hatch coating tanks and catwalk with oil. All oil was contained within a lined/bermed battery. Vacuum truck was dispatched to pick up standing fluid.

Describe Area Affected and Cleanup Action Taken.*

An approximate gravel area of 5' X 50' was impacted within the lined battery. No soils were impacted. All released crude oil was contained within lined/bermed battery. Liner intact and all standing fluid recovered with remaining fluid entrained in gravel and base course. Impacted gravel and base course to be removed and disposed at a NMOCD approved facility. Gravel and base course to be replaced. **Depth to Ground Water: >100' (approximately 150', Section 13-T18S-R29E, 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.

| | | |
|------------------------------------------------------------------------------------------------|---------------------------------|-----------------------------------|
| Signature: | OIL CONSERVATION DIVISION | |
| Printed Name: Lupe Carrasco | Approved by District Supervisor | Signed By |
| Title: Environmental Regulatory Agent | AUG 07 2013 | Approval Date: |
| E-mail Address: lcarrasco@yatespetroleum.com | Expiration Date: | Conditions of Approval: |
| Date: Tuesday, August 06, 2013 | Phone: 575-748-1471 | Attached <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

Like approval by
BLM

2RP-1799