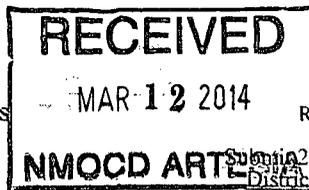


District I
1625 N. French Dr., Hobbs, NM. 88240
District II
1301 W. Grand Avenue, Artesia, NM. 88210
District III
1000 Rio Brazos Road, Aztec, NM. 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM. 87505

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

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Walt Canyon AMA Federal #4	API Number 30-015-28361	Facility Type Well Pad
Surface Owner Federal	Mineral Owner Federal	Lease No. NM-78312

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	3	22S	24E	860	North	1780	East	Eddy

Latitude 32.42570 Longitude 104.48302

NATURE OF RELEASE

Type of Release Oil & Produced Water	Volume of Release 10 B/O & 490 B/PW	Volume Recovered 0 B/O & 0 B/PW
Source of Release Below grade flow line	Date and Hour of Occurrence 11/23/2008, PM	Date and Hour of Discovery 11/23/2008, PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? NMOCD/Mike Bratcher (V/M)	
By Whom? Mike Stubblefield/YPC	Date and Hour 11/24/2008, AM	
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.*

The below grade flow line was found to be leaking in two areas near the wellhead (Area A, 10' SW and Area B, 40' S). The line was excavated/removed from service, a new above ground line was installed.

Describe Area Affected and Cleanup Action Taken.*

Impacted areas were on and off location, impacted areas on location were excavated to an approximate depth of 6', impacted soils were placed on plastic and bermed for remediation. Vertical/horizontal delineation samples were taken to determine from all impacted areas (12/3/2008). Samples will be tested for TPH & BTEX (chlorides to be documented). The chloride results from the off location samples were at 1,190 and the documented chlorides pose no risk to surface or ground water. A work plan was submitted 2/10/2009. Vertical/horizontal delineation samples were taken on (5/17/2011). **Depth to Ground Water: >100' (approx. 493' per New Mexico Office of the State Engineer), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on analytical reports (5/17/2011 results), impacted soils placed on plastic are being hauled to an NMOCD 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:	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Signed By	
Title: Environmental Regulatory Agent	Approved by District Supervisor:	
E-mail Address: boba@yatespetroleum.com	Approval Date: MAR 13 2014	Expiration Date: N/A
Date: Tuesday, June 07, 2011 Phone: 575-748-4217	Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

2RP-283