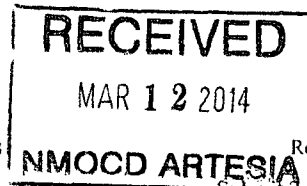


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

HMP 1410427341

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Chase Settle
Address 104 S. 4 TH Street		Telephone No. 575-748-4171
Facility Name Agave AAJ State #1	API Number 30-015-25049	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. LG-6459
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LOCATION OF RELEASE

Unit Letter A	Section 32	Township 19S	Range 24E	Feet from the 660'	North/South Line North	Feet from the 660'	East/West Line East	County Eddy
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Latitude 32.62292 Longitude -104.60339

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release 30 B/O, 2 B/PW	Volume Recovered 0 B/O, 0 B/PW
Source of Release Hole in the bottom of the oil tank	Date and Hour of Occurrence 03/09/2014; AM	Date and Hour of Discovery 03/09/2014; AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher, Randy Dade	
By Whom? Robert Asher	Date and Hour 03/11/2014 10:51 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

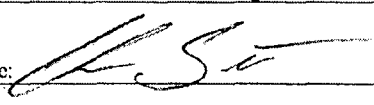

Describe Cause of Problem and Remedial Action Taken.*

Oil tank developed hole that allowed for release of crude oil and produced water in the battery, well was shut in and tank will be replaced.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 10' X 25' was affected around the oil tank within the berm. Tanks were drained and oil tank will be replaced. Impacted soils will be excavated and hauled to a NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). If initial analytical results for TPH & BTEX are under RRAL's (site ranking is 0) a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL a work plan will be submitted to the OCD. **Depth to Ground Water: >100'** (approximately 380', Section 32, T19S-R24E, per Chevron Texaco 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: Chase Settle	Approved by District Supervisor: 	
Title: NM Environmental Regulatory Agent	Approval Date: 4/14/14	Expiration Date: NA
E-mail Address: csettle@yatespetroleum.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Wednesday, March 12, 2014 Phone: 575-748-4171	Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:	

* Attach Additional Sheets If Necessary

5/14/14

28P-2256

Bratcher, Mike, EMNRD

From: Chase Settle <CSettle@yatespetroleum.com>
Sent: Wednesday, March 12, 2014 8:27 AM
To: Bratcher, Mike, EMNRD
Cc: Bob Asher
Subject: C141 Initial Agave AAJ State #1
Attachments: C141 Agave AAJ State #1 INITIAL.pdf

Mr. Bratcher,

Attached is the C141 Initial for the release listed below.

Agave AAJ State #1
30-015-25049
Section 32, T19S-R24E
660 FNL & 660 FEL
Eddy County, New Mexico

Released: Approximately 30 B/O & 2 B/PW; Recovered: 0 B/O & 0 B/PW.

Thanks,

Chase Settle
Environmental Regulatory Agent
Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210
575-748-4171 (Office)
575-703-6537 (Cell)

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