

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

### OPERATOR

☐ Initial Report ☒ Final Report

|  |                            |                               |
|--|----------------------------|-------------------------------|
| Name of Company<br>Yates Petroleum Corporation | OGRID Number<br>25575      | Contact<br>Amber Cannon       |
| Address<br>105 S. 4 <sup>TH</sup> Street       |                            | Telephone No.<br>575-748-1471 |
| Facility Name<br>Martha AIK Federal #4         | API Number<br>30-015-26724 | Facility Type<br>Wellhead     |

|                          |                          |                       |
|--------------------------|--------------------------|-----------------------|
| Surface Owner<br>Federal | Mineral Owner<br>Federal | Lease No.<br>NM-65417 |
|--------------------------|--------------------------|-----------------------|

### LOCATION OF RELEASE

|                  |               |                 |              |                        |                           |                        |                        |                |
|------------------|---------------|-----------------|--------------|------------------------|---------------------------|------------------------|------------------------|----------------|
| Unit Letter<br>J | Section<br>11 | Township<br>22S | Range<br>31E | Feet from the<br>1980' | North/South Line<br>South | Feet from the<br>1650' | East/West Line<br>East | County<br>Eddy |
|------------------|---------------|-----------------|--------------|------------------------|---------------------------|------------------------|------------------------|----------------|

Latitude 32.40419 Longitude 103.74482

### NATURE OF RELEASE

|  |  |   |
|--|--|---|
| Type of Release<br>Produced Water; Crude Oil   | Volume of Release<br>80 B/PW; 20 B/O             | Volume Recovered<br>0 B/PW; 0 B/O           |
| Source of Release<br>Valve on tubing   | Date and Hour of Occurrence<br>11/6/2013; AM     | Date and Hour of Discovery<br>11/6/2013, AM |
| Was Immediate Notice Given?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom?<br>Mike Bratcher/NMOCD II       |   |
| By Whom?<br>Robert Asher/Yates Petroleum Corporation   | Date and Hour<br>11/7/2013; AM                   |   |
| Was a Watercourse Reached?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  | If YES, Volume Impacting the Watercourse.<br>N/A |   |
| If a Watercourse was Impacted, Describe Fully.*<br>N/A   |  |   |

#### Describe Cause of Problem and Remedial Action Taken.\*

A 1" valve on tubing was half open. Cows in the area busted down the guard rail around the wellhead and ran into valve causing it to fully open and release produced water and crude oil. The well was shut off, the valve was closed and roustabouts were called for initial clean-up.

#### Describe Area Affected and Cleanup Action Taken.\*

The pad area around the wellhead and pumpjack, as well as an area off the west side of the production pad were affected. A crew was called to do initial clean-up of the area, and all excavated soils will be disposed of at an approved NMOCD facility. Vertical and horizontal delineation samples will be taken and sent to a NMOCD approved facility. **Depth to Ground Water: >100' (approximately 100-150', Section 11, T22S-R31E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0.** Yates Petroleum requests closure based on work being completed as approved by both NMOCD and BLM from a work plan submitted to both agencies on February 24, 2014. All analytical reports and site diagram of release area were submitted to both agencies in the work plan. Off the production pad Yates went ahead and excavated to a depth of 4', even though it was required by the work plan. No further work is needed at this site.

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: <u>Amber Cannon</u>                    | <b>OIL CONSERVATION DIVISION</b>                    |                                   |
| Printed Name: Amber Cannon                        | Approved by District Supervisor: <u>[Signature]</u> |                                   |
| Title: Environmental Regulatory Agent             | Approval Date: <u>7/2/14</u>                        | Expiration Date: <u>NA</u>        |
| E-mail Address: <u>acannon@yatespetroleum.com</u> | Conditions of Approval: <u>Final</u>                | Attached <input type="checkbox"/> |
| Date: Tuesday, July 01, 2014                      | Phone: 575-748-4111                                 | 2RP- 2078                         |