

NM OIL CONSERVATION

ARTESIA DISTRICT

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

JAN 13 2015

Form C-141
Revised August 8, 2011

Submitted to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

NAB1501438658

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 Doc BHU State #1 | Facility Type Battery | |

| | | |
|------------------------|------------------------|-------------------------|
| Surface Owner State | Mineral Owner State | API No. 30-015-34552 |
|------------------------|------------------------|-------------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|--------------|-----------------|--------------|----------------------|---------------------------|-----------------------|------------------------|----------------|
| Unit Letter O | Section 5 | Township 25S | Range 30E | Feet from the 330 | North/South Line South | Feet from the 2310 | East/West Line East | County Eddy |
|------------------|--------------|-----------------|--------------|----------------------|---------------------------|-----------------------|------------------------|----------------|

Latitude 32.15292 Longitude 103.90174

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release Crude Oil & Produced Water | Volume of Release 3 B/O & 2 B/PW | Volume Recovered 3 B/O & 2 B/PW |
| Source of Release Water knockout gasket | Date and Hour of Occurrence 12/31/2014; AM | Date and Hour of Discovery 12/31/2014; AM |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? N/A | |
| By Whom? N/A | Date and Hour N/A | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | |

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

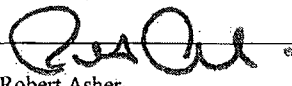

The water knockout gasket failed, causing the release. Vacuum truck(s) and roustabout crews called.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 20' X 20' (affected area within a bermed and lined battery). The water knockout was repaired; vacuum trucks were called and recovered all of the crude oil and produced water (100%). Depth to Ground Water: >100' (approximately 325', per ChevronTexaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on all released fluids recovered and battery is bermed and lined, 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.

OIL CONSERVATION DIVISION

| | | |
|--|---|----------------------|
| Signature:  | Approved by Environmental Specialist:  | |
| Printed Name: Robert Asher | Approval Date: 1/14/15 | Expiration Date: N/A |
| Title: NM Environmental Regulatory Supervisor | Conditions of Approval: 2RP- FINAL | |
| E-mail Address: boba@yatespetroleum.com | Attached <input type="checkbox"/> | |
| Date: January 13, 2015 | Phone: 575-748-4217 | |

* Attach Additional Sheets If Necessary

2RP-2733

Bratcher, Mike, EMNRD

From: Tanna Adams <TCArms@yatespetroleum.com>
Sent: Tuesday, January 13, 2015 11:24 AM
To: Bratcher, Mike, EMNRD
Cc: Patterson, Heather, EMNRD; Bob Asher
Subject: Doc BHU State #1 (12-31-2014)
Attachments: Doc BHU State #1_C141_InitialFinal_123114.doc

Mr. Bratcher,

Please find attached the C141 Initial/Final for the below listed location:

Doc BHU State #1
30-015-34552
Section 5, T25S-R30E
330 FSL & 2310 FEL
Eddy County, New Mexico

Thank you,

Tanna Adams
Yates Petroleum Corporation
Environmental Tech
Environmental Department
TCArms@yatespetroleum.com

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