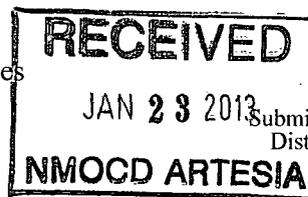


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 105 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Cohiba BPY State #1	API Number 30-015-33999	Facility Type Water Line

Surface Owner State	Mineral Owner State	Lease No. VO-5769
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LOCATION OF RELEASE

Unit Letter D	Section 1	Township 25S	Range 27E	Feet from the 660	North/South Line North	Feet from the 660	East/West Line West	County Eddy
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Latitude 32.16468 Longitude 104.15004

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 5 B/PW	Volume Recovered 4 B/PW
Source of Release Poly line Riser	Date and Hour of Occurrence 6/8/2011; PM	Date and Hour of Discovery 6/8/2011; PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD II	
By Whom? Bob Asher/Yates Petroleum Corporation	Date and Hour 6/7/2011; PM	
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.*

3" poly line on ruptured possibly due to an increase in main line pressure. Valves were isolated from main waterline. Vacuum trucks called.

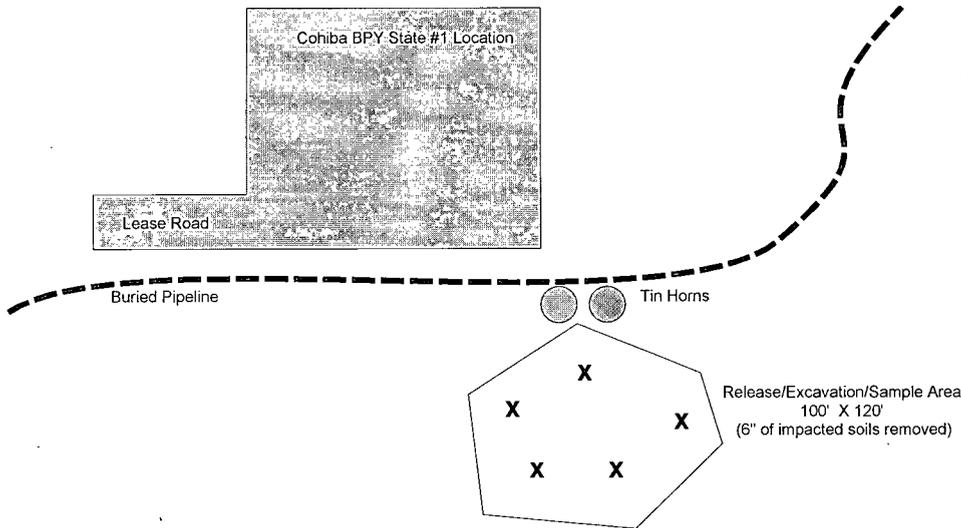
Describe Area Affected and Cleanup Action Taken.*

An approximate area of 6' X 400' (on production pad and of edge of pad). 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 10) 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: 50-99' (70', Section 22, T24S-R27E, NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 10. Based on enclosed analytical results, impacted soils excavated/hailed, 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: 	<u>OIL CONSERVATION DIVISION</u>		
Printed Name: Robert Asher	Approved by District Supervisor:		
Title: Senior Environmental Regulatory Agent	Approval Date:	Expiration Date:	
E-mail Address: boba@yatespetroleum.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: Wednesday, January 23, 2013 Phone: 575-748-4021	2RP-817		

* Attach Additional Sheets If Necessary



RECEIVED
 JAN 23 2013
NMOC D ARTESIA

Analytical Report- 424110 & 424111	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Comp-00.5	Release Area	7/20/2011	Comp/Auger	6" (12" BSL)	ND	ND	ND	ND	2740
Comp-01.0	Release Area	7/20/2011	Comp/Auger	12" (18" BSL)	ND	ND	ND	ND	3360
Analytical Report- 429610	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Comp-02.0	Release Area	10/11/2011	Comp/Backhoe	24" (30" BSL)					4280
Comp-03.0	Release Area	10/11/2011	Comp/Backhoe	36" (42" BSL)					4060
Comp-04.0	Release Area	10/11/2011	Comp/Backhoe	48" (54" BSL)					3340
Analytical Report- 433946	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Comp-05.0	Release Area	12/20/2011	Comp/Backhoe	5' (5.5' BSL)					1630
Comp-06.0	Release Area	12/20/2011	Comp/Backhoe	6' (6.5' BSL)					2290
Comp-07.0	Release Area	12/20/2011	Comp/Backhoe	7' (7.5' BSL)					2540
Analytical Report- 3A07010 (Hall)	Sample Area	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TOTAL	Chlorides
Comp-08.0	Release Area	1/3/2013	Comp/Backhoe	8' (8.5' BSL)					373
Comp-09.0	Release Area	1/3/2013	Comp/Backhoe	9' (9.5' BSL)					298
Comp-10.0	Release Area	1/3/2013	Comp/Backhoe	10' (10.5' BSL)					88

Site Ranking is Ten (10). Depth to Ground Water 50-99' (approx. 70', per Trend Map).

All results are ppm. **X - Sample Points** BLS - Below Surface Level

Released: 5 B/PW; Recovered: 4 B/PW. Release Date: 6/8/2011



Impacted soils excavated/hailed.



Cohiba BPY State #1

30-015-33999

Section 1, T25S-R27E

Eddy County, NM

SAMPLE DIAGRAM (Not to Scale)

**Prepared by Robert Asher
Environmental Regulatory Agent**

**PERMIAN BASIN
ENVIRONMENTAL LAB, LP
10014 SCR 1213
Midland, TX 79706**



Analytical Report

Prepared for:

Robert Asher
Yates Petroleum Corp.
105 S. Fourth St.
Artesia, NM 88210

Project: Cohiba BPY State #1
Project Number: 30-015-33999
Location: Eddy County, New Mexico
Lab Order Number: 3A07010



NELAP/TCEQ # T104704156-12-1

Report Date: 01/10/13

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Cohiba BPY State #1
Project Number: 30-015-33999
Project Manager: Robert Asher

Fax: (505) 748-4662

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
Comp-08.0 (8-8ft)	3A07010-01	Soil	01/03/13 10:02	01-07-2013 10:30
Comp-09.0 (9-9ft)	3A07010-02	Soil	01/03/13 10:08	01-07-2013 10:30
Comp-10.0 (10-10ft)	3A07010-03	Soil	01/03/13 10:13	01-07-2013 10:30

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Cohiba BPY State #1
Project Number: 30-015-33999
Project Manager: Robert Asher

Fax: (505) 748-4662

Comp-08.0 (8-8ft)

3A07010-01 (Soil)

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
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Permian Basin Environmental Lab

General Chemistry Parameters by EPA / Standard Methods

Chloride	373	6.10	mg/kg dry	5	EA30803	01/08/13	01/08/13	EPA 300.0	
% Moisture	18.0	0.1	%	1	EA30801	01/08/13	01/08/13	% calculation	

Yates Petroleum Corp. 105 S. Fourth St. Artesia NM, 88210	Project: Cohiba BPY State #1 Project Number: 30-015-33999 Project Manager: Robert Asher	Fax: (505) 748-4662
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Comp-09.0 (9-9ft)
3A07010-02 (Soil)

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
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Permian Basin Environmental Lab

General Chemistry Parameters by EPA / Standard Methods

Chloride	298	6.02	mg/kg dry	5	EA30803	01/08/13	01/08/13	EPA 300.0	
% Moisture	17.0	0.1	%	1	EA30801	01/08/13	01/08/13	% calculation	

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Cohiba BPY State #1
Project Number: 30-015-33999
Project Manager: Robert Asher

Fax: (505) 748-4662

Comp-10.0 (10-10ft)
3A07010-03 (Soil)

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
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Permian Basin Environmental Lab

General Chemistry Parameters by EPA / Standard Methods

Chloride	88.0	30.1	mg/kg dry	25	EA30803	01/08/13	01/08/13	EPA 300.0	
% Moisture	17.0	0.1	%	1	EA30801	01/08/13	01/08/13	% calculation	

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Cohiba BPY State #1
Project Number: 30-015-33999
Project Manager: Robert Asher

Fax: (505) 748-4662

General Chemistry Parameters by EPA / Standard Methods - Quality Control
Permian Basin Environmental Lab

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EA30801 - % Solids										
Blank (EA30801-BLK1) Prepared & Analyzed: 01/08/13										
% Moisture	ND	0.1	%							
Duplicate (EA30801-DUP1) Source: 3A07009-01 Prepared & Analyzed: 01/08/13										
% Moisture	11.0	0.1	%		11.0			0.00	20	
Batch EA30803 - *** DEFAULT PREP ***										
Blank (EA30803-BLK1) Prepared & Analyzed: 01/08/13										
Chloride	ND	1.00	mg/kg wet							
LCS (EA30803-BS1) Prepared & Analyzed: 01/08/13										
Chloride	10.4		mg/kg Wet	10.0		104	80-120			
LCS Dup (EA30803-BSD1) Prepared & Analyzed: 01/08/13										
Chloride	10.3		mg/kg Wet	10.0		103	80-120	0.996	20	
Duplicate (EA30803-DUP1) Source: 3A07008-01 Prepared & Analyzed: 01/08/13										
Chloride	1250	2.84	mg/kg dry		1350			7.25	20	
Matrix Spike (EA30803-MS1) Source: 3A07008-01 Prepared & Analyzed: 01/08/13										
Chloride	1530	2.84	mg/kg dry	156	1350	115	80-120			

Yates Petroleum Corp.
105 S. Fourth St.
Artesia NM, 88210

Project: Cohiba BPY State #1
Project Number: 30-015-33999
Project Manager: Robert Asher

Fax: (505) 748-4662

Notes and Definitions

DET Analyte DETECTED
ND Analyte NOT DETECTED at or above the reporting limit
NR Not Reported
dry Sample results reported on a dry weight basis
RPD Relative Percent Difference
LCS Laboratory Control Spike
MS Matrix Spike
Dup Duplicate

Report Approved By:



Date:

1/10/2013

Brent Barron, Laboratory Director/Technical Director

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