

NM OIL CONSERVATION

ARTESIA DISTRICT

JAN 05 2016

Form C-141

Revised August 8, 2011

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

RECEIVED

Submit Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

NAB1601135921

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 Cigarillo SWD System (Coliba BPY State #1) | Facility Type Pipeline/Tin Horn | |

| | | |
|------------------------|------------------------|-------------------------|
| Surface Owner State | Mineral Owner State | API No. 30-015-33999 |
|------------------------|------------------------|-------------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| D | 1 | 25S | 27E | 660 | North | 660 | West | Eddy |

Latitude 32.16468 Longitude 104.15004

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release Condensate | Volume of Release 5 B/C | Volume Recovered 0 B/C |
| Source of Release Air Eliminator Container (outside of Tin Horn) | Date and Hour of Occurrence Unknown | Date and Hour of Discovery 12/21/2015; 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.* Condensate entered the air eliminator container and filled to overflow, causing the release. Crew was called to begin cleanup actions. A bermed/lined secondary containment placed under the container in the near future.

Describe Area Affected and Cleanup Action Taken.* An approximate area of 10'X 270'; 5'X140' and 2'X150', the condensate followed a pipeline/cow trail. The entire impacted area is being tilled and treated with Micro Blaze and monitored for 60 days, if after the 60 day period a second application of Micro Blaze will be applied and monitored for 60 days. If the remedial actions show limited progress a work plan will be submitted to address any impacted soils. **Depth to Ground Water: 50-99' (approximately 70', per ChevronTexaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. Based on remedial actions outlined and the release was all condensate, 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: <i>Robert Asher</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Robert Asher | Signed By <i>Mike [Signature]</i> Approved by Environmental Specialist: | |
| Title: NM Environmental Regulatory Supervisor | Approval Date: <i>1/11/16</i> | Expiration Date: <i>N/A</i> |
| E-mail Address: boba@yatespetroleum.com | Conditions of Approval: <i>Obtain confirmation sample after Microblaze process</i> Attached <input type="checkbox"/> | |
| Date: January 5, 2016 | Phone: 575-748-4217 | |

* Attach Additional Sheets If Necessary

2RD-3480