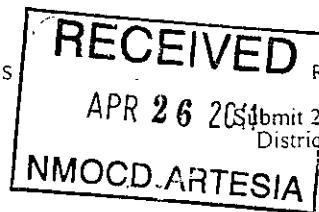


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 104 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Zinnia BKC Federal #1	API Number 30-015-27939	Facility Type Battery
Surface Owner Federal	Mineral Owner Federal	Lease No. NM-83068

LOCATION OF RELEASE

Unit Letter E	Section 27	Township 20S	Range 29E	Feet from the 1980'	North/South Line North	Feet from the 910'	East/West Line West	County Eddy
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Latitude 32.54599 Longitude 104.06794

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 8 B/PW	Volume Recovered 0 B/PW
Source of Release Water Tank	Date and Hour of Occurrence 1/14/2010; PM	Date and Hour of Discovery 1/14/2010; PM
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. N/A	
If a Watercourse was Impacted, Describe Fully.* N/A		

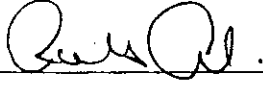


Describe Cause of Problem and Remedial Action Taken.*

Murphy switch failed, not activating the water pump causing water tank to run over. No produced water to recover, pump started on water tank.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 5' X 30'. All water remained within bermed battery. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX. Chlorides will be documented. If results are above RRAL's for TPH & BTEX with the site ranking of ten (10), a work plan or corrective action plan will be submitted. If results are below RRAL's for TPH & BTEX with the site ranking of ten (10), a Final Report C-141 will be submitted requesting closure. **Depth to Ground Water: 50-99' (approximately 70'), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. Based on enclosed analytical results (chlorides documented, decreasing chlorides) and amounts released, 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: 	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by District Supervisor: "Denied"	
Title: Environmental Regulatory Agent	Approval Date: 	Expiration Date: 
E-mail Address: boba@yatespetroleum.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Friday, March 12, 2010 Phone: 575-748-4217	2RP-	

* Attach Additional Sheets If Necessary

chloride contamination left in
place - no excavation performed