District I

1000 Rio Brazos Road, Aztec, NM 87410R 0 5 2010

District III

State of New Mexico

Form C-141

Revised October 10, 2003

1625 N French Di , Hobbs, NM 88370 CEIVE Energy Minerals and Natural Resources

NM 88210

Oil Conservation Division 1220 South St. Francis Dr. Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

IRP.10.3.2447

District IV 1220 S St Francis Dr , Santa Fe, MOBBSUCD Santa Fe, NM 87505 Release Notification and Corrective Action **OPERATOR** Initial Report Final Report OGRID Number Name of Company Contact Robert Asher Yates Petroleum Corporation 25575 Address Telephone No. 104 S. 4TH Street 575-748-1471 Facility Type API Number Facility Name Orbison BON State Com. #2 30-025-38888 Well Mineral Owner Lease No. Surface Owner Fee State V-5875 LOCATION OF RELEASE Township Feet from the North/South Line Feet from the East/West Line Unit Letter Section Range County 10S 34E 1650 South 1980 East 14 Lea J **Latitude**_33.27584 **Longitude** 103.47870 NATURE OF RELEASE Volume of Release Volume Recovered Type of Release 2 B/o & 10 B/PW Oil & Produced Water 1 B/O & 8 B/PW Source of Release Date and Hour of Occurrence Date and Hour of Discovery Flowline 2/24/2010, AM 2/24/2010, AM Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required N/A Date and Hour By Whom? N/A N/A Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ⊠ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Flowline froze and broke at the wellhead causing release. Vacuum truck and backhoe crew called Describe Area Affected and Cleanup Action Taken.* An approximate area of 50' X 25'. Vacuum truck picked up remaining oil and produced water, backhoe scraped up impacted soils. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). Since area effected by release is same area as the 12/6/2009 release (1RP-2377), remediation will follow the corrective action plan submitted to your office (dated and mailed on January 29, 2010). Depth to Ground Water: 50-99' (approx. 65', Section 14, T10S-R34E, per New Mexico Office of the State Engineer), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. 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: ENV. ENGYMEER Approved by District Supervisor: Printed Name: Robert Asher Expiration Date: 05 11 10 Title: Environmental Regulatory Agent Approval Date: 53/11/10 Conditions of Approval: DECINEATE TO CLEAN E-mail Address: boba@yatespetroleum.com Attached +1. SUBMIT FINAL C-141 BY -

1RP-10.3.2447

Phone: 575-748-4217

Date: Friday, March 05, 2010