

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

RECEIVED

State of New Mexico
Energy Minerals and Natural Resources

OCT 29 2010

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 Vada AVJ State #1 | API Number 30-025-01813 | Facility Type Battery |

| | | |
|------------------------|------------------------|---------------------|
| Surface Owner State | Mineral Owner State | Lease No. V-5302 |
|------------------------|------------------------|---------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|--------------|-----------------|--------------|-----------------------|---------------------------|----------------------|------------------------|---------------|
| Unit Letter L | Section 3 | Township 10S | Range 34E | Feet from the 1980 | North/South Line South | Feet from the 660 | East/West Line West | County Lea |
|------------------|--------------|-----------------|--------------|-----------------------|---------------------------|----------------------|------------------------|---------------|

Latitude 33.47417 Longitude 103.45793

NATURE OF RELEASE

GW 9 491

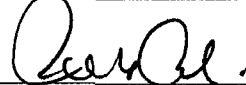
| | | |
|--|--|--|
| Type of Release Condensate & Produced Water | Volume of Release 74 B/C & 28 B/PW | Volume Recovered 41 B/C & 0 B/PW |
| Source of Release Production Tank | Date and Hour of Occurrence 10/15/2010, AM | Date and Hour of Discovery 10/15/2010, AM |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Larry Hill/NMOCD I | |
| By Whom? Robert Asher/Yates Petroleum Corporation | Date and Hour 10/15/2010, PM (e-mail and telephone) | |
| 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.*
Hole in bottom of tank caused release. Vacuum truck called.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 55' X 30'. Vacuum truck recovered remaining condensate, no produced water recovered. Initial samples taken, based on results tanks being moved off of battery and impacted soils being excavated to a depth of three (3) feet, soils to be taken to an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). If results are above RRAL's limits for the site ranking of zero (0), then a work plan will be submitted to detail further remediation work, if results are below RRAL's limits for the site ranking of zero (0), then closure will be requested. **Depth to Ground Water: >100' (approx. 114', per New Mexico Office of the State Engineer), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0.**

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: | |
| Title: Environmental Regulatory Agent | Approval Date: | Expiration Date: |
| E-mail Address: boba@yatespetroleum.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: Wednesday, October 27, 2010 Phone: 575-748-4217 | IRP- | IRP-11-10-2655 |

* Attach Additional Sheets If Necessary

DENIED

INCORRECT DEPTH TO GROUNDWATER
CRITERIA USED TO SCORE SITE
- Sperry, J. L., Jr., Engr., NMOCD-Hobbs, 11/18/10

