Received 6/3/2015

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 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

NMOCD Dist. 2

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action													
nMLB1523	3726911				OPERATOR								
Name of Co			>====	(Contact								
Yates Petrol	eum Corp	oration	25575		Chase Settle								
Address					Telephone No.								
104 S. 4 th Street						575-748-1471							
Facility Nar				Facility Type									
Spunky BU	K State Co	om #1H			Battery								
Surface Ow	ner		al Owner	API No.									
State	5/11/40 \$1/2004		State		30-015-								
				LO	CATION	ON OF RELEASE 30-015-42624							
Unit Letter	Section	Township	Range	Feet from th		South Line	Feet from the	Fast/W	est Line	County			
D	2	26S	26E	200		South	660	1	est Line /	Eddy			
		1,, 5,000	0.0430.0623937993	(50,000,000			981032,034	W1000	(4)				
Latitude 32.06494 Longitude -104.25702													
NATURE OF RELEASE													
Type of Release						Volume of Release			Volume Recovered				
Crude Oil & Produced Water Source of Release										& 127 B/PW Hour of Discovery			
Production Tanks						5/23/2015; AM 5/23/2015; AM							
Was Immediate Notice Given?						If YES, To Whom?							
Yes No Not Required													
By Whom?						Dana Strang Date and Hour							
Amber Cannon/Yates Petroleum Corporation						5/23/2015; AM (Email)							
Was a Water		ched?		If YES, Volume Impacting the Watercourse.									
If a Watercourse was Impacted, Describe Fully.*													
Describe Cause of Problem and Remedial Action Taken.*													
There was a failure of the ¼" pipe nipple on the Murphy switch and the pump would not function, causing the production tanks to overflow.													
Describe Area Affected and Cleanup Action Taken.*													
An approximate area of 150' X 40' was affected within the metal containment berm and an approximate area of 75' X 50' was affected outside of the metal containment berm on the production pad. The tank valves were closed, vacuum trucks were called to recover standing fluid, and a roustabout crew													
was called to	was called to repair the broken nipple on the Murphy switch. Excavated soils will be hauled to a NMOCD approved facility. 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 20) a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL's a work													
plan will be submitted to the OCD. Depth to Ground Water: < 50' (approximately 25', Section 2, T26S-R26E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 20.													
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													
							e the operator of						
		ws-and/or reg					P	Top click		,p		, coner	
				OIL CONSERVATION DIVISION									
Signature:	14	1-3											
Signature.)-		Approved by Environmental Specialists									
Printed Nam	e: Chase Se	ettle		Approved by Environmental Specialist:									
	7												
Title: NM E	nvironment	al Regulatory		Approval Date: 6/8/15 Expiration Date: N/A									
E-mail Addr	ess: csettle	ayatespetrole		Conditions of Approval: Remediation per									
E-mail Address: csettle@yatespetroleum.com						NMOCD rules &							
Date: June 3	, 2015		Pł	none: 575-748-	-4171	2RP- 3037							
guidelines 2RP-3037												7	