

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. 1<sup>st</sup> Street, 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**

*NMLB/129332237*

**OPERATOR**

☒ Initial Report ☐ Final Report

|  |                            |                               |
|--|----------------------------|-------------------------------|
| Name of Company<br>Yates Petroleum Corporation | OGRID Number<br>25575      | Contact<br>Amber Cannon       |
| Address<br>105 S. 4 <sup>TH</sup> Street       |                            | Telephone No.<br>575-748-1471 |
| Facility Name<br>Warren ANW Federal #3         | API Number<br>30-015-28598 | Facility Type<br>Battery      |

|                      |                          |                      |
|----------------------|--------------------------|----------------------|
| Surface Owner<br>Fee | Mineral Owner<br>Federal | Lease No.<br>NM-1372 |
|----------------------|--------------------------|----------------------|

**LOCATION OF RELEASE**

|                  |              |                 |              |                      |                           |                       |                        |                |
|------------------|--------------|-----------------|--------------|----------------------|---------------------------|-----------------------|------------------------|----------------|
| Unit Letter<br>O | Section<br>9 | Township<br>19S | Range<br>25E | Feet from the<br>660 | North/South Line<br>South | Feet from the<br>1980 | East/West Line<br>East | County<br>Eddy |
|------------------|--------------|-----------------|--------------|----------------------|---------------------------|-----------------------|------------------------|----------------|

Latitude 32.66982 Longitude 104.4914

**NATURE OF RELEASE**

|  |   |   |
|--|---|---|
| Type of Release<br>Gas   | Volume of Release<br>Unknown MCF                          | Volume Recovered<br>0 MCF                               |
| Source of Release<br>Gas line  | Date and Hour of Occurrence<br>9/29/2011; PM              | Date and Hour of Discovery<br>9/29/2011; PM             |
| Was Immediate Notice Given?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom?<br>Mike Bratcher and Randy Dade/NMOCD II | <b>RECEIVED</b><br><br>OCT 11 2011<br><br>NMOCD ARTESIA |
| By Whom?<br>Bob Asher/Yates Petroleum Corporation  | Date and Hour<br>9/30/2011; AM                            |   |
| Was a Watercourse Reached?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  | If YES, Volume Impacting the Watercourse.<br>N/A          |   |

If a Watercourse was Impacted, Describe Fully.\*  
N/A

Describe Cause of Problem and Remedial Action Taken.\*

The gas line from the battery header to the main line developed a quarter size hole. Upon discovery of leak, valves were located to isolate section of gas line and affected wells were shut in.

Describe Area Affected and Cleanup Action Taken.\*

An approximate area of 10' X 50' (pipeline right of way). A contractor was called in to find the hole in the gas line and to fix the line. As impacted soils are being dug out, they are being put on a plastic liner and samples will be taken from the stockpile to determine if the soils are suitable to re-use as backfill for the excavation. 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 0) a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL a work plan will be submitted to the OCD. Depth to Ground Water: >100' (260', Section 9, T19S-R25E, NMOSE), 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: <i>Amber Cannon</i>                     | <b>OIL CONSERVATION DIVISION</b>   |                                   |
| Printed Name: Amber Cannon                         | Approved by <i>Mike Bratcher</i><br>Signed By <i>Mike Bratcher</i><br>District Supervisor  |                                   |
| Title: Senior Environmental Regulatory Agent       | Approval Date: OCT 20 2011   | Expiration Date:                  |
| E-mail Address: acannon@yatespetroleum.com         | Conditions of Approval:  | Attached <input type="checkbox"/> |
| Date: Monday, October 10, 2011 Phone: 575-748-4111 | Remediation per OCD Rules & Guidelines. <b>SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:</b> | <i>2RP-923</i>                    |

\* Attach Additional Sheets If Necessary

**PROPOSAL NOT LATER THAN:**

*11/20/2011*