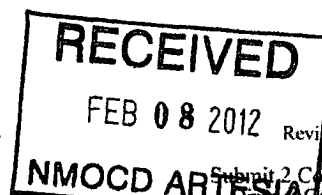


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. 1st Street, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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
Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

NMLB 1204738638

OPERATOR

☒ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Amber Cannon
Address 105 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Cannon FW Battery	API Number 30-015-21775	Facility Type Battery

Surface Owner Fee	Mineral Owner Fee	Lease No.
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LOCATION OF RELEASE

Unit Letter C	Section 21	Township 18S	Range 26E	Feet from the 990	North/South Line North	Feet from the 2310	East/West Line West	County Eddy
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Latitude 32.7378 Longitude 104.38757

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 8 B/PW	Volume Recovered 7 B/PW
Source of Release Water line	Date and Hour of Occurrence 2/2/2012	Date and Hour of Discovery 2/2/2012
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.*
Due to age and normal operation a 2" PVC water line broke.

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 15' X 4'. The spill occurred inside a bermed/unlined tank battery. The leak was isolated and a vacuum truck was called to recover released produced water. Impacted soils will be excavated and disposed of at an NMOCD approved facility. **Depth to Ground Water: >100' (136', Section 21, T18S-R26E, NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 0. Based on site ranking, amount released, amounts recovered and impacted soil being disposed of at an NMOCD approved facility, Yates Petroleum request 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: <i>Amber Cannon</i>	OIL CONSERVATION DIVISION	
Printed Name: Amber Cannon	Signed By <i>Mike Brannon</i> Approved by District Supervisor:	
Title: Senior Environmental Regulatory Agent	Approval Date: <i>2/16/12</i> FEB 16 2012	Expiration Date: <i>N/A</i>
E-mail Address: <i>acannon@yatespetroleum.com</i>	Conditions of Approval: <i>N/A</i> Final	Attached <input type="checkbox"/>
Date: Wednesday, February 08, 2012 Phone: 575-748-4111	2RP-1026	

* Attach Additional Sheets If Necessary