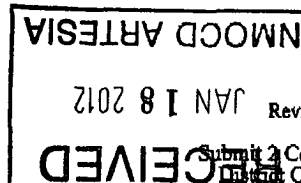


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

NMLB1204153874

OPERATOR

☒ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 105 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Cheroot BPF State Com. #1	API Number 30-015-37555	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VO-7290
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LOCATION OF RELEASE

Unit Letter P	Section 3	Township 25S	Range 27E	Feet from the 660	North/South Line South	Feet from the 330	East/West Line East	County Eddy
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Latitude 32.15358 Longitude 104.17037

NATURE OF RELEASE

Type of Release Oil	Volume of Release 11 B/O	Volume Recovered 11 B/O
Source of Release Production Tank	Date and Hour of Occurrence 1/10/2012; AM	Date and Hour of Discovery 1/10/2012; AM
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.*

Error by oil hauler, reversed pump on truck, forced oil in tank out thief hatch. Vacuum truck called.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 6' X 6' (inside bermed and lined battery). All released oil recovered, tanks being cleaned and impacted gravel being removed (hauled to an NMOC approved facility), being replaced with new gravel. Depth to Ground Water: 50-99' (70', Section 22, T24S-R27E, NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: > 1000', SITE RANKING IS 10. Based on all oil being recovered and battery is lined, Yates Petroleum Corporation requests closure.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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: Senior Environmental Regulatory Agent	Approval Date: FEB 10 2012	Expiration Date: N/A
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: N/A	Attached <input type="checkbox"/>
Date: Wednesday, January 18, 2012 Phone: 575-748-4021	2RP-1003	

* Attach Additional Sheets If Necessary