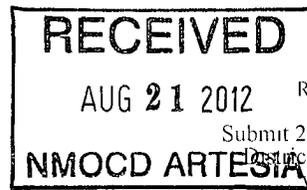


District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr., Santa Fe, NM 87505

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
OPERATOR

Initial Report Final Report

NKMB11023477

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Amanda Trujillo
Address 104 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Osprey BPS State #I-H	API Number 30-015-37552	Facility Type Battery
		Order Number 2RP- <i>739</i>
Surface Owner State	Mineral Owner State	Lease No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	32	25S	26E	660	South	330	West	Eddy

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 35	Volume Recovered 33
Source of Release Ball valve failure caused waterline to break	Date and Hour of Occurrence 01/11/2011	Date and Hour of Discovery 1/11/2011 - AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher - NMOCD/Artesia	
By Whom? Amanda Trujillo - Yates Petroleum Corporation	Date and Hour 01/11/11 am	
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.* 3" ball valve on knockout froze and busted due to extreme weather Vacuum truck was dispatched.		
Describe Area Affected and Cleanup Action Taken.* An approximate size of 50' x 20' was impacted. The impacted area is located within the lined berm. Water line was shut in. Then a vacuum truck was called. The truck was able to recover nearly all the lost water. Depth to Ground Water: >50' (approx. 65', per New Mexico Office of the State Engineer); Wellhead Protection Area: No; Distance to Surface Water Body: >1000'; SITE RANKING IS 10. Based on site ground water quality and enclosed analytical results.		
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>A Trujillo</i>	OIL CONSERVATION DIVISION	
Printed Name: Amanda Trujillo	Signed By <i>Mike Bratcher</i> Approved by District Supervisor.	
Title Environmental Scientist	Approval Date: AUG 22 2012	Expiration Date: <i>N/A</i>
E-mail Address: atrujillo@yatespetroleum.com	Conditions of Approval: <i>N/A</i>	Attached <input type="checkbox"/>
Date Monday, August 20, 2012 Phone: 575-748-4310	<i>Final</i>	

* Attach Additional Sheets If Necessary

2RP-739
Release was in a lined facility