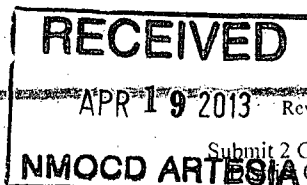


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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
Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

JMW1311331406

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 Martha AIK Federal #1	API Number 30-015-26549	Facility Type Battery

Surface Owner Federal	Mineral Owner Federal	Lease No. NM-65417
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	11	22S	31E	330'	South	430'	East	Eddy

Latitude 32.39966 Longitude 103.74086

NATURE OF RELEASE

Type of Release Produced Water; Crude Oil	Volume of Release 850 B/PW; 33 B/O	Volume Recovered 650 B/PW; 20 B/O
Source of Release Water transfer pump	Date and Hour of Occurrence 4/18/2013; AM	Date and Hour of Discovery 4/18/2013; 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 II	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 4/19/2013; 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.* The discharge hose from a water transfer pump ruptured, releasing produced water and oil.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 36' X 100' (most of release occurred inside of the unlined bermed battery. Some of the water/oil escaped out of the berm to the south of the tanks). A vacuum truck was called to recover fluids, all wells to battery were shut in; tank valves were shut, and hose was repaired. A crew was called to do initial clean-up of the area, and all excavated soils will be disposed of at an approved NMOCD facility. Vertical and horizontal delineation samples will be taken and sent to a NMOCD approved facility. Depth to Ground Water: >100' (approximately 150', Section 11, T22S-R31E, per Trend Map), 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.		

OIL CONSERVATION DIVISION

Signature: <i>Amber Cannon</i>	Approved by District Supervisor: Signed By <i>Mike Bratcher</i>	
Printed Name: Amber Cannon	Approval Date: APR 23 2013	Expiration Date:
Title: Environmental Regulatory Agent	Conditions of Approval: Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:	
E-mail Address: acannon@yatespetroleum.com	Attached <input type="checkbox"/>	
Date: Friday, April 19, 2013 Phone: 575-748-4111		

* Attach Additional Sheets If Necessary.

PROPOSAL NO LATER THAN:
May 23, 2013

2RP-1631