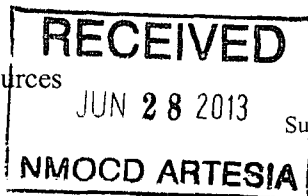


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

nJM **W1318449639**

OPERATOR

☒ Initial Report ☒ Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Lupe Carrasco
Address 104 S. 4 TH Street		Telephone No. 575-748-1471
Facility Name Big Eddy 79Y SWD	API Number 30-015-23385	Facility Type SWD

Surface Owner Federal	Mineral Owner Federal	Lease No. NM-0486
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LOCATION OF RELEASE

Unit Letter J	Section 21	Township 21S	Range 28E	Feet from the 1980	North/South Line South	Feet from the 1930	East/West Line East	County Eddy
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Latitude 32.46392 Longitude 104.08906

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 335 B/PW	Volume Recovered 346 B/PW
Source of Release Lightning Strike	Date and Hour of Occurrence 6/21/2013 AM	Date and Hour of Discovery 6/21/2013 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? Bob Asher, Yates Petroleum Corporation	Date and Hour 6/21/2013 8:00 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.*

Release was caused by a lightning strike that hit the produced water tank. Emergency units were dispatched to control the fire. Vacuum trucks were dispatched to recover standing fluid. The fire and all lost fluid were contained within the bermed battery. The berm was lined and maintained its integrity throughout the incident.

Describe Area Affected and Cleanup Action Taken.*

No soils were affected beyond the secondary containment. The secondary containment constructed for the tank battery was successful in containing all released fluid. Due to the nature of the fire and the damaged equipment, all metal within the berm will be scrapped. Soil and gravel will be removed from the secondary containment and disposed at an NMOCD approved facility. YPC will construct a new facility in place of the old one. **Depth to Ground Water: <100' (approximately 75', Section 21-T21S-R28E, 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.

Signature: <i>Lupe Carrasco</i>		OIL CONSERVATION DIVISION	
Printed Name: Lupe Carrasco		Approved by District Supervisor: Signed By <i>Mike Bratcher</i>	
Title: Environmental Regulatory Agent		Approval Date: JUL 03 2013	Expiration Date:
E-mail Address: lcarrasco@yatespetroleum.com		Conditions of Approval:	Attached <input type="checkbox"/>
Date: Thursday, June 27, 2013 Phone: 575-748-1471		2RP-	

* Attach Additional Sheets If Necessary

2RP-1707