NM OIL CONSERVATION

ARTESIA DISTRICT

District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., 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 SEP 1 7 2014

Form C-141 Revised August 8, 2011

2RP- 2491

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

REGET Do appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action **OPERATOR** Initial Report Final Report Name of Company Contact 25575 Amber Cannon Yates Petroleum Corporation Address Telephone No. 104 S. 4th Street 575-748-4111 **Facility Name** Facility Type Martha AIK Federal #6 Production Flow Line Mineral Owner API No. Surface Owner Federal 30-015-26960 Federal LOCATION OF RELEASE Feet from the North/South Line Unit Letter Section Township Range Feet from the East/West Line County 11 225 31E 660 North 330 East Eddy Α Latitude 32.41137 Longitude 103.74056 NATURE OF RELEASE Type of Release Volume of Release Volume Recovered Crude Oil & Produced Water 10 B/O & 10 B/PW 0 B/O & 0 B/PW Source of Release Date and Hour of Occurrence Date and Hour of Discovery Flow line 8/9/2014; AM 8/9/2014; AM Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required By Whom? Date and Hour N/A N/A Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. Yes No If a Watercourse was Impacted, Describe Fully. N/A Describe Cause of Problem and Remedial Action Taken. There was a leak in the flow line, causing the release. Vacuum truck(s) and roustabout crew called. Describe Area Affected and Cleanup Action Taken. An approximate area of 25' X 25'. The impacted area was near the production pad for the Martha AIK Federal #13. The line was repaired. Vertical and horizontal delineation samples have been taken and analysis will be run for TPH & BTEX (chlorides for documentation). If initial analytical results for TPH & BTEX are under RRAL's (site ranking is 0) a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL's a work plan will be submitted to the OCD. Depth to Ground Water: >100' (approximately 100-125', 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 nrm Signature: Approved by Environmental Specialist: Printed Name: Amber Cannon Approval Date: Title: NM Environmental Regulatory Agent **Expiration Date:** E-mail Address: ACannon@yatespetroleum.com Attached **Conditions of Approval:** Phone: 575-748-4111 Remediation per OCD Rule & Guidelines. Date: August 13, 2014 * Attach Additional Sheets If Necessary

SUBMIT REMEDIATION PROPOSAL NO

LATER THAN: 10/17/