NM OIL CONSERVATION ARTESIA DISTRICT

District 1 1625 N. French Dr., Hobbs, NM 88240 State of New Mexico District II Energy Minerals and Natural Resources 811 S. First St., Artesia, NM 88210 District III

1000 Rio Brazos Road, Aztec, NM 87410

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

FEB 2 4 2015 Submit 1 Copy to appropriate District Office in 19.15.29 NMAC.

Form C-141

Revised August 8, 2011

RECEIVED

1220 S. St. Francis Dr., Santa Fe, NM 87505 Release Notification and Corrective Action **OPERATOR** Final Report OGRID Number Name of Company Contact Yates Petroleum Corporation 25575 Robert Asher Address Telephone No. 104 S. 4th Street 575-748-1471 Facility Name Facility Type Cigarillo SWD #1 Battery Mineral Owner API No. Surface Owner 30-015-21643 State State LOCATION OF RELEASE Unit Letter Township Feet from the North/South Line Section Range Feet from the East/West Line County 1980 1980 G 36 235 27F North Fast Eddy Latitude 32.26322 Longitude 104.14136 NATURE OF RELEASE Type of Release Volume of Release Volume Recovered 6 B/PW Produced Water 6 B/PW Source of Release Date and Hour of Occurrence Date and Hour of Discovery 2/9/2015; AM Water pump 2/9/2015; AM Was Immediate Notice Given? If YES, To Whom? Mike Bratcher/NMOCD II By Whom? Date and Hour Robert Asher/Yates Petroleum Corporation 2/10/2015; AM (Email) Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes 🏻 No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* The booster pump cracked and leaked, causing the release. Vacuum truck(s) and roustabout crews were called. Describe Area Affected and Cleanup Action Taken.* An approximate area of 40'X 20', all contained within a lied and bermed battery. Problems with the booster pump were corrected and a vacuum truck was called, recovering all of the released produced water. Impacted soils excavated /hauled to a NMOCD approved facility. Depth to Ground Water: 50-99' (approximately 67', per ChevronTexaco Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. Based on all released produced water recovered (lined/bermed battery) and all problems with the water pump resolved, 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 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: Approved by Environmental Specialist: Printed Name: Robert Asher Title: NM Environmental Regulatory Supervisor Approval Date: Expiration Date: Conditions of Approval: E-mail Address: boba@yatespetroleum.com

Attach Additional Sheets If Necessary

Phone: 575-748-4217

Date: February 24, 2015

Attached

FINAL