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 1220 S. St. Francis Dr., Santa Fe, NM 87505

Date: March 27, 2015

State of New Mexico Energy Minerals and Natural Resources

MAR **26** 2015

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr.

Submit 1 Copy to appropriate District Office in RECEIVED RECEIVED NMAC.

Santa Fe, NM 87505 Release Notification and Corrective Action **OPERATOR** Initial Report Final Report OGRID Number Contact Yates Petroleum Corporation 25575 Robert Asher Address Telephone No. 104 S. 4th Street 575-748-1471 **Facility Name** Facility Type Corral Draw AQH Federal #2 **Battery** Surface Owner Mineral Owner API No. Federal -Federal 30-015-34257 LOCATION OF RELEASE Unit Letter Feet from the North/South Line Section Township Range Feet from the East/West Line County 1980 F 13 245 29E North 1980 West Eddy Latitude 32.21925 Longitude 103.93973 NATURE OF RELEASE Volume of Release Type of Release Volume Recovered Crude Oil & Produced Water 5 B/O & 10 B/PW 4 B/O & 9 B/PW Source of Release Date and Hour of Occurrence Date and Hour of Discovery Pressure gauge on pumping unit 3/14/2015; AM 3/14/2015; 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.* Describe Cause of Problem and Remedial Action Taken.* The top of the pressure gauge failed, causing the release. Vacuum truck(s) and roustabout crews were called. Describe Area Affected and Cleanup Action Taken.* An approximate area of 25' X 20' (on well pad) and 50' X 5' (off of well pad). The valves were closed, the pressure gauge was replaced, and remaining released oil/produced water was recovered (4 B/O & 9 B/PW). Well pad impacted soils will be excavated /hauled to a NMOCD approved facility. Off pad impacted soils will be remediated in-place. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). If initial analytical results for TPH & BTEX (chlorides for documentation) are under RRAL's (site ranking is 10) a Final Report, C-141 will be submitted to the NMOCD requesting closure. If the analytical results are above the RRAL's a work plan will be submitted to the NMOCD. Depth to Ground Water: >100' (approximately 125', per ChevronTexaco 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: Approved by Environmental Specialist: Printed Name: Robert Asher Title: NM Environmental Regulatory Supervisor Approval Date: 1 **Expiration Date:** Conditions of Approval: E-mail Address: boba@yatespetroleum.com Attached Remediation per O.C.D. Rules & Gulde Ines

SMIT REMEDIATION

LATER THAN:

ROPOSAL NO

Phone: 575-748-4217