Listrie I 1625 N. French Dr., Hobbs, NM 88240 Listric III 1801 W. Grand Avenue, Artesia, NM 88210 Extrict III 1000 Rio Brazos Road, Aztec, NM 87410 District IV

State of New Mexico
Energy Minerals and Natural Resources

APR 25 2011

RECEIVED

Form C-141 evised October 10, 2003

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 NMOCD ARTE District Office in accordance with Rule 116 on back

1220 S. St. Francis Dr., Santa Fe, NM 87505 side of form Release Notification and Corrective Action KMW //// 74 **OPERATOR** Initial Report Final Report Name of Company OGRID Number Contact Yates Petroleum Corporation 25575 Amanda Trujillo Address Telephone No. 104 S. 4TH Street 575-748-1471 Facility Name API Number Facility Type Order Number Anemone ANE Federal #2 30-015-27982 Gas well 745 Surface Owner Mineral Owner Lease No. Federal Federal NM - 78214 LOCATION OF RELEASE Unit Letter Section Township Feet from the East/West Line Range North/South Line Feet from the County D **22**S 24E 1090 NORTH 840 WEST EDDY NATURE OF RELEASE Type of Release Volume of Release Volume Recovered WATER and OIL 22 PW 20 PW Source of Release Date and Hour of Occurrence Date and Hour of Discovery Equipment failure on pumps and alarms 4/22/2011 4/22/2011 - PM If YES, To Whom? Was Immediate Notice Given? Mike Bratcher - NMOCD/Artesia By Whom? Date and Hour Amanda Trujillo - Yates Petroleum Corporation 04/25/2011 pm 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.* Dump Valve failed caused liquid in supply line and backup oil tanks. Crew on site was able to stop flow and pick up fluids. Describe Area Affected and Cleanup Action Taken.* An approximate size of 30' x 8' was impacted. The impacted area is located behind the tanks. Soil from the pooling areas was excavated and disposed of at an NMOCD approved facility. Vertical and horizontal delineation samples will taken and analysis ran for TPH and BTEX once all contaminated material has been removed. Depth to Ground Water: >100' (approx. 585', per New Mexico State Engineers Office); 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 Approved by District super Bor Mile Branches Signature: Printed Name: Amanda Trujillo Title: Environmental Scientist Approval Date: **Expiration Date:** E-mail Address: atrujillo@yatespetroleum.com Conditions of Approval: Attached Remediation per OCD Rules & Date: Monday, April 25, 2011 Phone: 575-748-4310 **Guidelines. SUBMIT REMEDIATION** * Attach Additional Sheets If Necessary

PROPOSAL NOT LATER THAN:

Testing required for chlorides and/or any notential contaminant

2 RP 765