

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

Received 12/19/2014  
NMOCD Artesia

Form C-141  
Revised October 10, 2003

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

Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

### Release Notification and Corrective Action

#### OPERATOR

Initial Report  Final Report

|  |                            |                               |
|--|----------------------------|-------------------------------|
| Name of Company<br>Yates Petroleum Corporation             | OGRID Number<br>25575      | Contact<br>Amber Cannon       |
| Address<br>105 S. 4 <sup>TH</sup> Street                   |                            | Telephone No.<br>575-748-1471 |
| Facility Name<br>Dolores AIL Federal #2 (Livingston Ridge) | API Number<br>30-015-26548 | Facility Type<br>Flow line    |

|                          |                          |                       |
|--------------------------|--------------------------|-----------------------|
| Surface Owner<br>Federal | Mineral Owner<br>Federal | Lease No.<br>NM-65418 |
|--------------------------|--------------------------|-----------------------|

#### LOCATION OF RELEASE

|                  |               |                 |              |                        |                           |                       |                        |                |
|------------------|---------------|-----------------|--------------|------------------------|---------------------------|-----------------------|------------------------|----------------|
| Unit Letter<br>I | Section<br>14 | Township<br>22S | Range<br>31E | Feet from the<br>1980' | North/South Line<br>South | Feet from the<br>430' | East/West Line<br>East | County<br>Eddy |
|------------------|---------------|-----------------|--------------|------------------------|---------------------------|-----------------------|------------------------|----------------|

Latitude 32.3896 Longitude 103.74089

#### NATURE OF RELEASE

|  |  |  |
|--|--|--|
| Type of Release<br>Produced Water; Crude Oil   | Volume of Release<br>99 B/PW; 1 B/O                  | Volume Recovered<br>75 B/PW; 1 B/O     |
| Source of Release<br>Water transfer line ruptured  | Date and Hour of Occurrence<br>2/4/2014              | Date and Hour of Discovery<br>2/4/2014 |
| Was Immediate Notice Given?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom?<br>Mike Bratcher, NMOCD District II |  |
| By Whom?<br>Robert Asher, Yates Petroleum Corporation  | Date and Hour<br>2/5/2014                            |  |
| Was a Watercourse Reached?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  | If YES, Volume Impacting the Watercourse.<br>N/A     |  |

If a Watercourse was Impacted, Describe Fully.\*  
N/A

Describe Cause of Problem and Remedial Action Taken.\*  
A poly pipe (water transfer line) ruptured

Describe Area Affected and Cleanup Action Taken.\*  
An approximate area of 20' X 30'. Spill is approximately 200 yards north of cattle guard where CR29 intersects. The release occurred over the same area as a release from 8/17/2013 (this release was still in the process of being cleaned up). The release made a flow path on the east side of the lease road. The flow line valves were shut off, leak was isolated, and Dolores water pump was shut off. The line was repaired. Flow path on the east side of the lease road will be excavated. All excavated soils will be disposed of at an approved NMOCD facility. Vertical and horizontal delineation samples will be taken and sent to a NMOCD approved facility. **Depth to Ground Water: >100' (approximately 150', Section 11, T22S-R31E, per Trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Yates Petroleum requests closure based off all work being completed as per NMOCD/BLM approved work plan.**

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: <u>Amber Cannon</u>                      | <u>OIL CONSERVATION DIVISION</u> |                                   |
| Printed Name: Amber Cannon                          | Approved by District Supervisor: |                                   |
| Title: Environmental Regulatory Agent               | Approval Date: 1/12/2015         | Expiration Date: NA               |
| E-mail Address: acannon@yatespetroleum.com          | Conditions of Approval:          | Attached <input type="checkbox"/> |
| Date: Friday, December 19, 2014 Phone: 575-748-4111 | 2RP- <u>2188</u>                 | FINAL                             |

\* Attach Additional Sheets If Necessary