

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

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

Form C-141  
Revised October 10, 2003

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 Yates Petroleum Corporation	OGRID Number 25575	Contact Jeremy Haass
Address 104 S. 4 <sup>TH</sup> Street		Telephone No. 575-748-1471
Facility Name Graham 'AKB' State #9	API Number 30-015-31606	Facility Type Pumping Unit

Surface Owner State	Mineral Owner State	Lease No. V-2705
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LOCATION OF RELEASE

Unit Letter D	Section 2	Township 22S	Range 31E	Feet from the 330'	North/South Line North	Feet from the 330'	East/West Line West	County Eddy
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Latitude 32.42666 Longitude 103.75559

NATURE OF RELEASE

Type of Release Oil, Produced Water	Volume of Release 3 B/O, 7 B/PW	Volume Recovered 3 B/O, 0 B/PW
Source of Release Pressure gauge broke on tubing	Date and Hour of Occurrence 9/10/2011; AM	Date and Hour of Discovery 9/10/2011; AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD II	
By Whom? Amanda Trujillo/Yates Petroleum Corporation	Date and Hour 9/10/2011, PM (email)	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

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

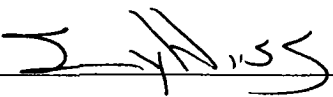


Describe Cause of Problem and Remedial Action Taken.\*

A pressure gauge on the tubing broke. The well was shut in, vacuum truck and roustabout crew was called to the location.

Describe Area Affected and Cleanup Action Taken.\*

An approximate area of 100' X 100' (all released fluid was contained on location). The gauge was replaced, and all oil was recovered. **Water: >100' (approximately 125', Section 2, T22S-R31E, per Trend Map), Wellhead Protection Area: No, Distance to Ground Water Body: >1000', SITE RANKING IS 0. Based on the amount of fluid released, all oil recovered, impacted soil was scrapped immediately and hauled off to NMOCD approved site, and fluid did not leave location 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.

Signature: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Jeremy Haass	Signed By  Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date: SEP 13 2011	Expiration Date: NA
E-mail Address: jhaass@yatespetroleum.com	Conditions of Approval: NA 	Attached <input type="checkbox"/>
Date: Monday, September 12, 2011	Phone: 575-748-4217	2RP-

\* Attach Additional Sheets If Necessary

2RP-899