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 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

Revised October 10, 2003

Form C-141

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

Release Notification and Corrective Action nMLB1208651788 **OPERATOR** Initial Report OGRID Number Contact Name of Company Yates Petroleum Corporation 25575 Robert Asher Telephone No. Address 104 S. 4TH Street 575-748-1471 Facility Name API Number Facility Type Glow Worm ALX Federal Battery 30-015-35313 Battery Surface Owner Mineral Owner Lease No. Federal Federal NM-81953 LOCATION OF RELEASE Feet from the North/South Line Feet from the County Unit Letter Section Township Range East/West Line 4 238 31Ē Eddy R Latitude 32.04040 Longitude 103.20855 NATURE OF RELEASE Volume Recovered Type of Release Volume of Release Produced Water 500 B/PW 500 B/PW Source of Release Date and Hour of Occurrence Date and Hour of Discovery 3/8/2012; AM Fiberglass Tank. 3/8/2012: AM If YES, To Whom? Was Immediate Notice Given? ☑ Yes ☐ No ☐ Not Required Mike Bratcher/NMOCD II Date and Hour By Whom? Robert Asher/Yates Petroleum Corporation 3/8/2012; AM (Voicemail & e-mail) RECEIVED Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☐ No N/A MAR **1 6**-2012 If a Watercourse was Impacted, Describe Fully.* N/A Describe Cause of Problem and Remedial Action Taken.* NMOCD ARTESIA Water pump failed to start, causing tank to run over. Vacuum trucks called to the location. Isolated tank, pump started. Describe Area Affected and Cleanup Action Taken.* An approximate total areas of 40' X 60'. All released water contained within lined/bermed battery. All released water was recovered. Depth to Ground Water: >100' (354', Section 5, T23S-R31E, per the NMOSE/ISC), Wellhead Protection Area; No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on all recovered amounts of produced water, release within bermed/lined containment area, 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: Approved by District Supervisor Printed Name: Robert Asher Approval Date 2 6 2012 Expiration Date: Title: Environmental Regulatory Agent Conditions of Approval: N E-mail Address: boba@yatespetroleum.com Attached 2RP- 1068 Date: Friday, March 16, 2012 Phone: 575-748-4217

* Attach Additional Sheets If Necessary

2RA-1068