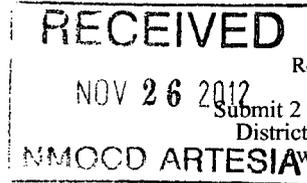


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

1233239870 OPERATOR Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Jeremy Haass
Address 104 S. 4 TH Street	Telephone No. 575-748-1471	
Facility Name Dayton Water Line	API Number 30-015-25677	Facility Type Water Line <u>White IU #2</u>
Surface Owner State	Mineral Owner Fee	Lease No. N/A

LOCATION OF RELEASE

Unit Letter P	Section 28	Township 18S	Range 26E	Feet from the 990	North/South Line South	Feet from the 330	East/West Line East	County Eddy
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Latitude 32.71425 Longitude 104.37910

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 85 B/PW	Volume Recovered 80 B/PW
Source of Release Water Line	Date and Hour of Occurrence 11/20/2012 AM	Date and Hour of Discovery 11/20/2012 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? Jeremy Haass, Yates Petroleum Corporation	Date and Hour 11/21/2012 AM (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.* Water surfaced alongside Lakewood Rd. Pipe was isolated then dug up. Vac Truck was called and pipe was patched.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 10' X 30', alongside Lakewood Rd. Vacuum truck called to pick up remaining produced water, impacted soils to be scraped up and taken to an NMOCD approved facility. Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX, Chlorides will be run for documentation. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL's a work plan will be submitted. Depth to Ground Water: 50-99' (approximately 90', Section 28-T18S-R26E, per NMOSE), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10.		
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:	OIL CONSERVATION DIVISION	
Printed Name: Jeremy Haass	Approved by District Supervisor:	Signed By
Title: Environmental Regulatory Agent	Approval Date: <u>NOV 27 2012</u>	Expiration Date:
E-mail Address: jhaass@yatespetroleum.com	Conditions of Approval:	
Date: Monday, November 26, 2012 Phone: 575-748-1471	Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: <u>Dec. 27th 2012</u>	
	Attached <input type="checkbox"/>	<u>2RP-1424</u>

* Attach Additional Sheets If Necessary