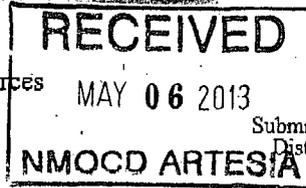


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

JM W1312742172

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street		Telephone No. 575-748-1471
Facility Name Osprey BPS State #1-H	API Number 30-015-37552	Facility Type Battery

Surface Owner State	Mineral Owner State	Lease No. VA-7312
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	32	25S	26E	660	South	330	West	Eddy

Latitude 32.08078 Longitude 104.32211

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 360 B/PW	Volume Recovered 320 B/PW
Source of Release Discharge water pump	Date and Hour of Occurrence 4/26/2013; AM	Date and Hour of Discovery 4/26/2013; 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 District II	
By Whom? Robert Asher/Yates Petroleum Corporation	Date and Hour 4/26/2013; AM	
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.* Discharge water pump failed to start because generator not operational. Generator started up to begin produced water transport. Vacuum trucks called.		
Describe Area Affected and Cleanup Action Taken.* An approximate area of 30' X 30' (outside of production pad). Vertical and horizontal delineation samples will be taken and analysis ran for TPH & BTEX (chlorides for documentation). If initial analytical results for TPH & BTEX are under RRAL's (site ranking is 0) a Final Report, C-141 will be submitted to the OCD requesting closure. If the analytical results are above the RRAL a work plan will be submitted to the OCD. Depth to Ground Water: >100' (118', Section 22, T25S-R26E, NMOSE), 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.		

Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by District Supervisor: Signed By	
Title: NM Environmental Regulatory Supervisor	Approval Date: MAY 07 2013	Expiration Date:
E-mail Address: boba@yatespetroleum.com	Conditions of Approval: Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:	Attached <input type="checkbox"/>

Date: Monday, May 06, 2013 Phone: 575-748-4021

* Attach Additional Sheets If Necessary

JUNE 7, 2013

2RP-1645