

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

RECEIVED

OCT 28 2013

NMOCD ARTESIA

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

RTW 1332348624

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 Spearman KQ Federal #1	API Number 30-015-22861	Facility Type Battery

Surface Owner Fee	Mineral Owner Federal	Lease No. NM-9538
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LOCATION OF RELEASE

Unit Letter K	Section 13	Township 18S	Range 24E	Feet from the 1980	North/South Line South	Feet from the 1980	East/West Line West	County Eddy
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Latitude 32.74642 Longitude 104.54369

NATURE OF RELEASE

Type of Release Oil & Produced Water	Volume of Release 15 B/O & 22 B/PW	Volume Recovered 10 B/O & 10 B/PW
Source of Release Production tank	Date and Hour of Occurrence 10/9/2013, AM	Date and Hour of Discovery 10/9/2013, 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 Artesia	
By Whom? Robert Asher/YPC Environmental	Date and Hour 10/9/2013, PM (e-mail)	
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.*
Hole in bottom of production tank.

Describe Area Affected and Cleanup Action Taken.*

An approximate area of 40' X 50'. Partial recovery oil and produced water, hole in line prevented total containment. Production tank to be removed with new tank installed and relocate battery to allow for impacted soils to be excavated/hailed to an NMOCD approved facility. Vertical/horizontal delineation samples were taken on 10/22/2013, sent to an NMOCD approved laboratory, analytical results are below RRAL's for the site ranking of (0) zero. **Depth to Ground Water: >100' (approx. 260', Chevron/Texaco trend Map), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Based on impacted soils excavated/hailed, analytical results and new battery relocated, re-bermed and a new liner installed, 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: <i>Robert Asher</i>	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Signed By: <i>Mike Bratcher</i>	
Title: Environmental Regulatory Agent	Approved by District Supervisor:	
E-mail Address: boba@yatespetroleum.com	Approval Date: OCT 30 2013	Expiration Date: <i>NA</i>
Date: Monday, October 28, 2013 Phone: 575-748-4217	Conditions of Approval: <i>NA</i>	Attached <input type="checkbox"/>
	2RP-	

* Attach Additional Sheets If Necessary

2RP-2069