

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141
Revised August 8, 2011

MAR 05 2015

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

NAB1506536208

Name of Company Yates Petroleum Corporation		Contact 25575	OPERATOR	<input checked="" type="checkbox"/> Initial Report	<input type="checkbox"/> Final Report
Address 104 S. 4 th Street		Telephone No. 575-748-1471			
Facility Name Humidor BML State Com #5H		Facility Type Battery			
Surface Owner State	Mineral Owner State	API No. 30-015-42755			

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	26	24S	27E	2365	South	575	East	Eddy

Latitude 32.20188 Longitude 104.1544

NATURE OF RELEASE

Type of Release Drilling Mud	Volume of Release 200 B/DM	Volume Recovered 0 B/DM
Source of Release Mud suction pit	Date and Hour of Occurrence 2/19/2015; AM	Date and Hour of Discovery 2/19/2015; 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? Robert Asher/Yates Petroleum Corporation	Date and Hour 2/20/2015; AM (Email)	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
A mud tank was being moved by a forklift, the tank shifted and slide off and broke a 6" valve on the back of the suction pit, causing the drilling mud release.

Describe Area Affected and Cleanup Action Taken.*
The approximate area of the release was 20' x 100' (on the drilling pad) and 10' x 300' (off the drilling pad). Impacted soils will be excavated/hailed to a NMOCD approved facility. 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 10) 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 to the OCD. **Depth to Ground Water: 50-99' (approximately 50', per the ChevronTexaco Trend Map), 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: Robert Asher	Approved by Environmental Specialist:	
Title: NM Environmental Regulatory Supervisor	Approval Date: <u>3/5/15</u>	Expiration Date: <u>N/A</u>
E-mail Address: boba@yatespetroleum.com	Conditions of Approval:	
Date: March 2, 2015	Remediation per O.C.D. Rules & Guidelines Attached <input type="checkbox"/>	
Phone: 575-748-4217	SUBMIT REMEDIATION PROPOSAL NO	

* Attach Additional Sheets If Necessary

LATER THAN: 4/6/15 — 2RP. 2861