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 MAY 03 2011

HECEIVED

Form C-141 Revised October 10, 2003

Oil Conservation Division 1220 South St. Francis Dr.

NMOCD ARTES To pair 2 Copies to appropriate District Office in accordance with Rule 116 on back

2RP-701

side of form Santa Fe, NM 87505 **Release Notification and Corrective Action OPERATOR** n KMW 1/09452838 **Initial Report** Final Report Name of Company OGRID Number Contact Yates Petroleum Corporation 25575 Robert Asher Address Telephone No. 104 S. 4TH Street 575-748-1471 Facility Name API Number Facility Type Wright JA #5 30-015-24939 Well Surface Owner Mineral Owner Lease No. Fee LOCATION OF RELEASE Unit Letter Township Range Feet from the North/South Line Feet from the East/West Line Section County F 34 18S 26E 1650 North 2310 West Eddy **Latitude** 32.70688 **Longitude** 104.37042 NATURE OF RELEASE Volume of Release Volume Recovered Type of Release Oil & Produced Water 2 B/O & 4 B/PW 0 B/O & 0 B/PW Source of Release Date and Hour of Occurrence Date and Hour of Discovery Flowline 1/30/2009 AM 1/30/2009 AM Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required N/A Date and Hour By Whom? N/A Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes 🛛 No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Scale plugged the 2" polyline causing the line to rupture. The release occurred on location 10' north of pumping unit. A section of the polyline was removed from service; the line was repaired and then placed back in service. Describe Area Affected and Cleanup Action Taken.* An approximate area of 25' X 15'. The visibly impacted soils were excavated and taken to an OCD approved land disposal facility. Soil samples were taken and run for TPH & BTEX (chlorides are for documentation). The excavation process was concluded and the area backfilled to grade using clean soils. Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 10. Based on enclosed analytical report and impacted soils removed/hauled to an NMOCD approve facility, Yates Petroleum Corporation is requesting final 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. **OIL CONSERVATION DIVISION** Signature: Accepted for record NMOCD Approved by District Supervisor: Printed Name: Robert Asher Title: Environmental Regulatory Agent Approval Date: ate: Accepted for record only. Extent of E-mail Address: boba@yatespetroleum.com contamination has not been defined Attached

Phone: 575-748-1471

Date: Tuesday, May 03, 2011

Attach Additional Sheets If Necessary

for approval as a risk-based closure.

5/6/2011