

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

30-015-26072

Release Notification and Corrective Action

NMLB 1114652317

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Yates Energy Corp.	25542	Contact	Sheryl Jonas	
Address	P. O. Box 2323, Roswell, NM 88202			Telephone No.	(432) 683-5511
Facility Name	Lonesome Dove Federal #1			Facility Type	Tank Battery

Surface Owner	Kramer & Murry	Mineral Owner	BLM	Lease No.	NMNM 69333
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LOCATION OF RELEASE

Unit Letter	Section	Township	Ran34	Feet from the	North/South Line	Feet from the	East/West Line	County
	26	23S	23 E	660	south	1810	west	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Condensate	Volume of Release	1 barrel	Volume Recovered	0
Source of Release	Hole in tank #13951	Date and Hour of Occurrence		Date and Hour of Discovery	4/28/2011
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required				
By Whom?	Date and Hour				
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.*

RECEIVED
MAY 24 2011
NMOCD ARTESIA

Describe Cause of Problem and Remedial Action Taken.*

BLM notified Operator of a leak in tank #13951. The well was immediately shut in on April 28, 2011, and 120 barrels produced water pulled out of the tank. Hole in tank approximatel 9' from bottom of tank.

Describe Area Affected and Cleanup Action Taken.*

The pumper has reported less than one barrel spilled. The well was placed back on production at 100 MCF/day bypassing the stac- pack on May 13, 2011; at this reduced rate no fluid will be produced. The fluids in the tank will be removed as soon as can be scheduled. The tank will be replaced as an oil tank and used as a water tank if repairable. The BLM believes there was more fluid lost than the one barrel. And we are in the process of discerning the correct amount.

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>Sheryl L. Jonas</i>	OIL CONSERVATION DIVISION	
Printed Name: Sheryl Jonas	Signed By: <i>Mike Brannan</i> Approved by District Supervisor.	
Title: Engineering Tech	Approval Date: 5/26/2011	Expiration Date:
E-mail Address: Sjonas4011@aol.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION	Attached <input type="checkbox"/>
Date: 5/18/2011	Phone: 432-683-5511	

* Attach Additional Sheets If Necessary

PROPOSAL NOT LATER THAN:

6/26/2011

2RP-787