

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

Form C-141
Revised August 8, 2011

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

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

| | | |
|--|---|--------------|
| Name of Company: Chevron USA Inc. | Contact: Nick Hampton | |
| Address: 15 Smith Rd., Midland, TX, 79705 | Telephone No.: wk: 575-704-3143 cell: 985-502-2342 | |
| Facility Name: West Dollarhide Drinkard Unit Battery | Facility Type: Battery | |
| Surface Owner: State surface | Mineral Owner (QLS-091040 – State of New Mexico B-9613 LSE) | API No.: N/A |

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|------------------|--------------|---------------|------------------|---------------|----------------|---------------|
| Unit Letter D | Section 32 | Township 24-S | Range 38E | Feet from the | North/South Line | Feet from the | East/West Line | County Lea |
|------------------|---------------|------------------|--------------|---------------|------------------|---------------|----------------|---------------|

Latitude: 32 deg 9.788 minutes north / Longitude: -103 deg 5.218 minutes west

NATURE OF RELEASE

| | | |
|--|--|---|
| Type of Release: Spill | Volume of Release: 64.71 bbls total fluid | Volume Recovered: 30 bbls total fluid |
| Source of Release: Fiberglass trunk line | Date and Hour of Occurrence 08/10/15 1:00PM | Date and Hour of Discovery 08/10/15 1:00PM |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Kellie Jones | |
| By Whom? Nick Hampton | Date and Hour: 08/10/15 3:04PM | |
| 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.*

N/A

REVIEWED

By Kellie Jones at 10:44 am, Dec 09, 2015

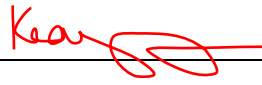
Describe Cause of Problem and Remedial Action Taken.*

Dresser sleeve failure due to end flange corrosion caused 60.25 bbls of produced water and 4.46 bbls of oil to leak to ground.

Describe Area Affected and Cleanup Action Taken.*

Caliche pad and field outside of battery affected. After all contaminated soil is hauled to Sundance, area will be sampled.

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: Nick Hampton | OIL CONSERVATION DIVISION | |
| Printed Name: Nick Hampton | Approved by Environmental Specialist:  | |
| Title: HE Specialist | Approval Date: 12/09/2015 | Expiration Date: 02/09/2015 |
| E-mail Address: cickb@chevron.com | Conditions of Approval: Site samples required. Delineate and remediate as per MNOCD guides. Geotag photographs of remediation recommended. | Attached <input type="checkbox"/> |
| Date: 08/17/2015 | Phone: 985-502-2342 | |

* Attach Additional Sheets If Necessary

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pKJ1534347007