

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

HOBBS OCD

Form C-141
Revised August 8, 2011

Submit Copy to appropriate District Office in
SEP 02 2014 accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company: CHEVRON U.S.A. Inc.	Contact: Edem Sededji
Address: 56 Texas Camp Road, Lovington NM 88260	Telephone No.: Office: (575) 396-4414 Mobile: (432) 234-4437
Facility Name: Skelly Unit 936	Facility Type: Production Well

Surface Owner: Federal	Mineral Owner: State of New Mexico	API No. 30-015-32595 / Lease No. NM-98122
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	21	17.0S	31E					Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release: Crude Oil and produced Water Spill	Volume of Release: 8.6 bbls fluid	Volume Recovered: Unknown
Source of Release: Flow Line	Date and Hour of Occurrence: 01/24/12 10:45 AM	Date and Hour of Discovery: 01/24/12 11:00 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mr. Leking via voicemail	
By Whom? David Pagano	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.*
N/A

Describe Cause of Problem and Remedial Action Taken.*

It appears someone drove around wellhead and snagged out poly gas line, causing 8.6 bbls fluid spill, mostly oil with a small amount of produced water. Chemical rep notified pumper of spill to land at 10:45 and pumper immediately drove to well and shut well in to contain release. Well shut in at approximately 11:00 AM.

Describe Area Affected and Cleanup Action Taken.*

Approx. 8.6 bbls of fluid mostly oil spilled on pad and worked its way to the road as well as foot wide path that ran into the pasture. Vacuum truck vacuumed up standing liquid on pad and road. Chevron received Archeological/wildlife clearance from BLM. Backhoe excavated contaminated soil on pad and road and contaminated soil was taken offsite for disposal. Spray off of pad into the pasture was remediated by knocking off fluids from vegetation using biodegradable soap, and then used micro blaze to remediate contaminated soil.

Two discrete soil confirmation samples were collected from the base of the excavation before the excavated area was reportedly backfilled with imported soils. These sampling results indicated the presence of chloride concentrations in shallow soils at levels of regulatory concern.

In response to these results, an additional site assessment was conducted to confirm the extent of soil impacts.

Analytical results of the additional assessment are attached.

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>Luke Welch</i>	OIL CONSERVATION DIVISION	
Printed Name: Luke Welch	Approved by Environmental Specialist: <i>[Signature]</i>	
Title: Project Manager	Approval Date: 9-2-14	Expiration Date: _____
E-mail Address: LWelch@chevron.com	Conditions of Approval: _____	Attached <input type="checkbox"/>
Date: 8/12/14 Phone: (713) 372-0292		IRP-3253

* Attach Additional Sheets If Necessary

SEP 05 2014

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N70 1423 24 8678
P10 1423 24 9120