

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

RECEIVED
NOV 13 2012
NMOCD ARTESIA

Form C-141
Revised August 8, 2011

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

Release Notification and Corrective Action

NJMW 1304342634 OPERATOR Initial Report Final Report

Name of Company	Chevron USA Inc. <i>4323</i>	Contact	David A. Pagano
Address	15 Smith Rd., Midland, TX, 79705	Telephone No.	wk: 575-396-4414X275 cell: 505-787-9816
Facility Name	Skelly 940 BTY	Facility Type	Oil Production Batteries

Surface Owner	Federal BLM	Mineral Owner	Federal	API No.	<i>30-015-32599</i>
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SKU 940 BTY - Latitude: 32.824393 / Longitude: -103.864209

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	22	17S	31E					Eddy

NATURE OF RELEASE

Type of Release	Gases to a Flare	Volume of Release	2292 MSCF	Volume Recovered	0 MSCF
Source of Release	Flare	Date and Hour of Occurrence	11/06/12 02:00 AM	Date and Hour of Discovery	11/06/12 07:00 AM
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Bratcher, Mike, EMNRD		
By Whom?		Date and Hour	11/05/12 12:50 PM left voicemail prior to planned event		
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.*

Frontier shut in sales line to complete maintenance at Maljamar Gas Plant. Down for 25 hours.

Describe Area Affected and Cleanup Action Taken.*

Shut in wells to minimize flaring. Stayed in close contact with frontier in order to flaring as soon as they were able to accept our gas in the sales line.

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: <i>David Pagano</i>	Approved by Environmental Specialist:		Accepted for record NMOCD
Printed Name: David A. Pagano	Approval Date:	Expiration Date:	
Title: Health & Environmental Specialist	Conditions of Approval:		Attached <input type="checkbox"/>
E-mail Address: dpagn@chevron.com			
Date: 11/13/12	Phone: 505-787-9816		

* Attach Additional Sheets If Necessary

2RP-1556

Bratcher, Mike, EMNRD

From: Pagano, David (David.Pagano) <David.Pagano@chevron.com>
Sent: Tuesday, November 13, 2012 5:04 PM
To: Bratcher, Mike, EMNRD
Subject: Final C141 report for flaring at SKU940 on 11/06/12 - 11/06/12 and SKU 907 on 11/06/12 - 11/10/12
Attachments: 20121106 C-141 Skelly 908 & 940 Bty Flare Final.PDF

Mike,

Here are the final C-141 reports for both the Skelly 940 Battery and 907 Battery that started flaring on 11/06 due to Frontier shutting us in to complete maintenance at their Maljamar Plant.

Regards,

David A. Pagano

MCA Health & Environmental Specialist (Oil Area – Vacuum/Buckeye, Dollarhide & Sundown)
56 Texas Camp Rd., Lovington, NM 88260
☎ Phone: 575-396-4414 x275
☎ Cell: 505-787-9816
☎ Fax: 575-396-6913
dpgn@chevron.com

"CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message; then please delete this email."

From: Bratcher, Mike, EMNRD [<mailto:mike.bratcher@state.nm.us>]
Sent: Tuesday, November 13, 2012 7:47 AM
To: Pagano, David (David.Pagano)
Subject: RE: Final C141 report for flaring at SKU940 on 11/06/12 - 11/07/12

David,

There was a letter from Frontier attached, but no C-141.

Mike Bratcher
NMOCD District 2
811 S. First Street
Artesia, NM 88210
O: 575-748-1283 X108
C: 575-626-0857
F: 575-748-9720

From: Pagano, David (David.Pagano) [<mailto:David.Pagano@chevron.com>]
Sent: Thursday, November 08, 2012 9:40 AM
To: Bratcher, Mike, EMNRD
Cc: Moschetti, Nick (NMOS); DeLeon, Josepha; Booker, Lloyd R (LloydBooker)
Subject: Final C141 report for flaring at SKU940 on 11/06/12 - 11/07/12

Mike,

Here is the final C-141 report for the flaring that occurred at our Skelly 940 battery on 11/6/12 due to the Frontier Plant shutting us in to complete maintenance.

Please note that our Skelly 907 battery, which was shut in at the same time, is continuing to flare due to issues at the plant. Our Field Specialist and Gas Tester are working to contact Frontier to determine when Frontier expects to be back online. I will send a C-129, later today, once we know how long we expect to be down and the final C141 when the flaring at the Skelly 907 battery has stopped.

Regards,

David A. Pagano

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From: Pagano, David (David.Pagano) <David.Pagano@chevron.com>
Sent: Tuesday, November 13, 2012 8:24 AM
To: Bratcher, Mike, EMNRD
Subject: RE: Final C141 report for flaring at SKU940 on 11/06/12 - 11/07/12

Mike,

I should have the final report for the Skelly Unit 907 today and I will send both the 940 & 907 to you by the end of today.

Regards,

David A. Pagano

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Subject: Final C141 report for flaring at SKU940 on 11/06/12 - 11/07/12
Attachments: 20121105 C-141_SKU 940 Bty Flare Final.pdf

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P.O. Box 7
Maljamar, NM 88264
October 11, 2012

Chevron Production
56 Camp Road
Lovington, NM 88260

Dear Producer:

The Maljamar Gas Plant will be shutting down for maintenance on Tuesday, November 6, 2012. **We will begin blocking in gas sales at the meter runs on your location beginning Monday, November 5th at approximately 10:00p.m.** We anticipate this shutdown to last approximately 10 hours beginning at 5:00a.m. on November 6th. During this time, we request that you shut in your lease(s) to minimize Plant flare as the Plant will not process any gas for the duration of the downtime. After the shutdown, our Measurement Techs will start opening meter runs; however due to the number of meters, this may take up to 12 hours to open the valves on all meters. If you would like a status update for your meter(s), please call your technician listed below.

Additionally, we request your assistance in ensuring this and future notices reach you in a timely manner. Attached to this letter is a listing of our meters wherein we show your company as the current operator of the corresponding lease. If you are no longer the operator of record for any of the leases on your attached listing, please advise us so that we may update our records to reflect this change. Please send all changes to Tammy Hobbs via email to thobbs@akaenergy.com or by phone to 575-676-3500.

Producer Chevron Production
Address1 56 Camp Road
Address2
City, State Zip Lovington, NM 88260
Contact Person _____
Office Number _____
Cell Number _____
Email address _____

Thank you for your assistance! We greatly appreciate it!

Sincerely,
Jerry D. Wright Ed Kelsey Bobby Mallett James Torrez
Measurement Foreman Measurement Tech Measurement Tech Measurement Tech
575-676-3512 (office) 575-676-3513 (office) 575-676-3515 (office) 575-676-3514 (office)
575-361-0154 (cell) 575-361-0367 (cell) 575-361-0392 (cell) 575-200-5136 (cell)
jwright@akaenergy.com ekelsey@akaenergy.com bmaillett@akaenergy.com jtorrez@akaenergy.com

Producer: Chevron Production

Meter ID	Status	Lease
06075166	Active	MT Keohane Fed #3
06065682	Active	N. Lusk 29 Fed #1
06135005	Active	Skelly #951
06165761	Active	Skelly Central Battery
06135006	Active	Skelly Unit #940
06155645	Active	Tex Mack 11 Fed #1
06155708	Active	Tex Mack 2 State Com #2
06155010	Active	TexMack 36 State Com #1