

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

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

| | | | |
|-----------------|---------------------------------------|---------------|-----------------|
| Name of Company | Chevron Delaware Basin | Contact | Bradley Blevins |
| Address | PO Box 190, Hobbs, NM 88241 | Telephone No. | (575) 391-1462 |
| Facility Name | Culebra Bluff SWD Water Transfer Line | Facility Type | SWD |

| | | |
|---------------|---------------|-----------|
| Surface Owner | Mineral Owner | Lease No. |
|---------------|---------------|-----------|

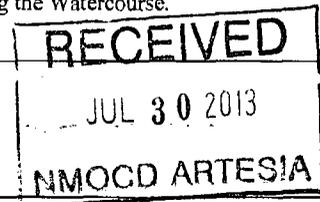
LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|-----------------|
| L | 36 | 22S | 28E | | | | | Eddy County, NM |

Latitude N 32.34734° Longitude W 104.04839°

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|-----------------------|----------------------------|--------|
| Type of Release | Produced Water | Volume of Release | 77 bbls | Volume Recovered | 0 bbls |
| Source of Release | Hole in 3" ball valve in the transition | Date and Hour of Occurrence | 03/25/2013 @ 12:30 pm | Date and Hour of Discovery | |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | | | |
| 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.*

Describe Cause of Problem and Remedial Action Taken.*
A hole in the 3" ball valve in the transition caused 77 bbls of produced water to leak onto the ground. No fluids were recovered and the valve was repaired.

Describe Area Affected and Cleanup Action Taken.*
The area affected us approximately 40' x 450'. A hole in the 3" ball valve in the transition caused 77 bbls of produced water to leak onto the ground. No fluids were recovered and the valve was repaired. Remediation was completed in accordance with the NMOCD-approved remediation plan.

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>Bradley Blevins</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Bradley Blevins | Approved by District Supervisor: <i>[Signature]</i> | |
| Title: EHS Specialist | Approval Date: <i>7/13/15</i> | Expiration Date: <i>MA</i> |
| E-mail Address: Bradley.blevins@chk.com | Conditions of Approval: <i>Final</i> | Attached <input type="checkbox"/> |
| Date: <i>7/29/13</i> Phone: (575) 391-1462 | | |

* Attach Additional Sheets If Necessary

2RP-1619