

PC
1/30/06

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 March 17, 1999
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 KEY ENERGY SERVICES	Contact Sam Blenis
Address 2105 AVE O	Telephone No. 505-394-2581
Facility Name STATE "5"	Facility Type BRINE STATION

Surface Owner DECK ESTATE	Mineral Owner STATE OF NEW MEXICO	Lease No. 1
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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
E	15	215	37E					LEA

NATURE OF RELEASE

Type of Release BRINE WATER	Volume of Release 200 BBLs	Volume Recovered
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery 1/26/06
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	IF YES, To Whom? NEW MEXICO - OCD - PAT Caperton	
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.*

VALVE LEFT SHUT ON TANK - BRINE WATER RAN OFF PAD AND DOWN ROAD. APPROX 200 BBLs.

Describe Area Affected and Cleanup Action Taken.*

PICKUP FLUID WITH VACUUM TRUCK, DIG OUT AFFECTED AREA AND REPLACE w/ NEW SOIL.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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: Sam Blenis	Approved by District Supervisor:		
Printed Name: SAM BLENIS	Approval Date:	Expiration Date:	
Title: YARD MANAGER	Conditions of Approval:		
Date: 1-26-06 Phone: 394-2581			Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

191168
Key Energy - 209522
Facility - FPAC 0603034096
Incident - NPAC 0603034178

Application # **FPAC 0603049911**

01/26/2006 THU 11:14 FAX