

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 X Initial Report Final Report

Name of Company Chevron USA	Contact Tejay Simpson
Address HCR 60 Box 423 Lovington, N.M. 88260	Telephone No. 505-396-4414 X 201
Facility Name KEEL A FEDERAL	Facility Type PRODUCTION BATTERY
Surface Owner FEDERAL BLM	Mineral Owner FEDERAL
	Lease No. FEDERAL LEASE NO. 24161

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the		Feet from the		County
J	33	18.0S	32E	1980	South Line	2080	East Line	Lea

Latitude: 32.7021505063 / Longitude: -103.769514507

NATURE OF RELEASE

API #30-025-33316

Type of Release Crude Oil	Volume of Release Oil 7.262 Barrels	Volume Recovered 6.0 BARREL ESTIMATE
Source of Release Sight Glass Failure on Heater-Treater.	Date and Hour of Occurrence 1-29-2010 @ ????	Date and Hour of Discovery 1-29-2010 @ 15:00
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Robert Harrison	
By Whom? Tejay Simpson	Date and Hour 1-29-2010 @ 17:09	
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.*

At approximately 15:00 hours, Chevron Field Specialist arrived on the location of the Keel A Federal battery and observed oil spraying out of the top side of the bottom sight glass. The Field Specialist used a shovel to close the 1/2" ball valves between the vessel and the sight glass gauge cock valves stopping the release of oil. Operations Supervisor was called to the scene. Area of impact and average depth of free standing fluid and depth of soil penetration was determined and spill volume was calculated at 7.262 barrels of oil. Vacuum truck arrived at the location and recovered free standing oil. Total recovery of free standing fluid estimated at 6.0 barrels.

Notification was made to the NMOCD and BLM by phone at approximately 17:09 hours.

Describe Area Affected and Cleanup Action Taken.

Dirt and sandy soil within the tank battery and approximately 432 square feet of sandy surface north of the battery fence immediately adjacent to the battery.

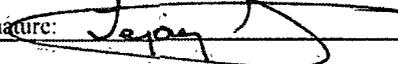
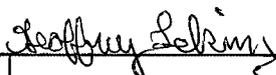
Free standing fluid was recovered with vacuum truck and squeegee. Backhoe was dispatched to the location the following morning and back drug spill area recovering contaminated soil. Contaminated soil was taken to CRI disposal. Impact area inside the battery and immediately south of the heater treater was roto-tilled to ensure less than 1% THC.

Ocotillo Environmental Service was dispatched to the spill site on Monday, February 1st to obtain soil samples to help develop final clean-up and remediation plan.

Additional clean-up is scheduled to be conducted the week of February 8th.

Evidence of historic spill inside the battery were discovered during initial clean up response.

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.

<u>OIL CONSERVATION DIVISION</u>		
Signature: 	ENV. ENGINEER: Approved by District Supervisor: 	
Printed Name: Tejay Simpson	Approval Date: 05/03/10	Expiration Date: 07/06/10
Title: Operations Supervisor	Conditions of Approval: SUBMIT FINAL C-141 BY 07/06/10	
E-mail Address: tscq@chevron.com		
Date: February 2, 2010	Phone: 396-4414 X 201	Attached <input type="checkbox"/> IRP-10-5-2504

* Attach Additional Sheets If Necessary