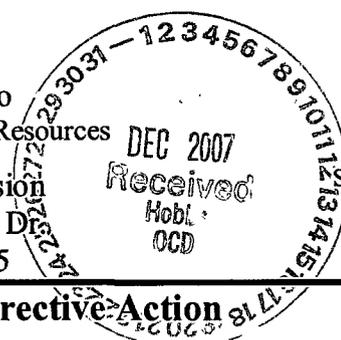


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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	Key Energy Services, Inc.	Contact	Sam Blevins
Address	2105 Ave O	Telephone No.	505-394-2581
Facility Name	Key Energy State "S" Brine and Water Station (BW-028)	Facility Type	Brine and Freshwater Station

Surface Owner	Millard Deck Trust	Mineral Owner	State of New Mexico	Lease No.	#1
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**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the See attached map	North/South Line	Feet from the	East/West Line	County
D	15	21s	37e					Lea

Latitude N32° 29' 02.2" Longitude W103° 09' 28.8"

**NATURE OF RELEASE**

Type of Release	Brine	Volume of Release	300bbls	Volume Recovered	275bbls
Source of Release	Load line valve left open by unidentified 3 <sup>rd</sup> party driver.	Date and Hour of Occurrence	11/24/07 09:00	Date and Hour of Discovery	11/24/07 09:00, Clarence Fyfe (Chevron)
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Pat Richards, OCD		
By Whom?	Edward (Ted) Philley, Key Energy Services	Date and Hour	11/26/07 10:25		
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.\*

Brine valve was left open at load line at east end of water station by 3<sup>rd</sup> party, line drained into diked area. Dike gave way and ran down lease road onto Chevron well location.

Describe Area Affected and Cleanup Action Taken.\*

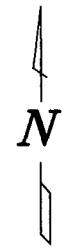
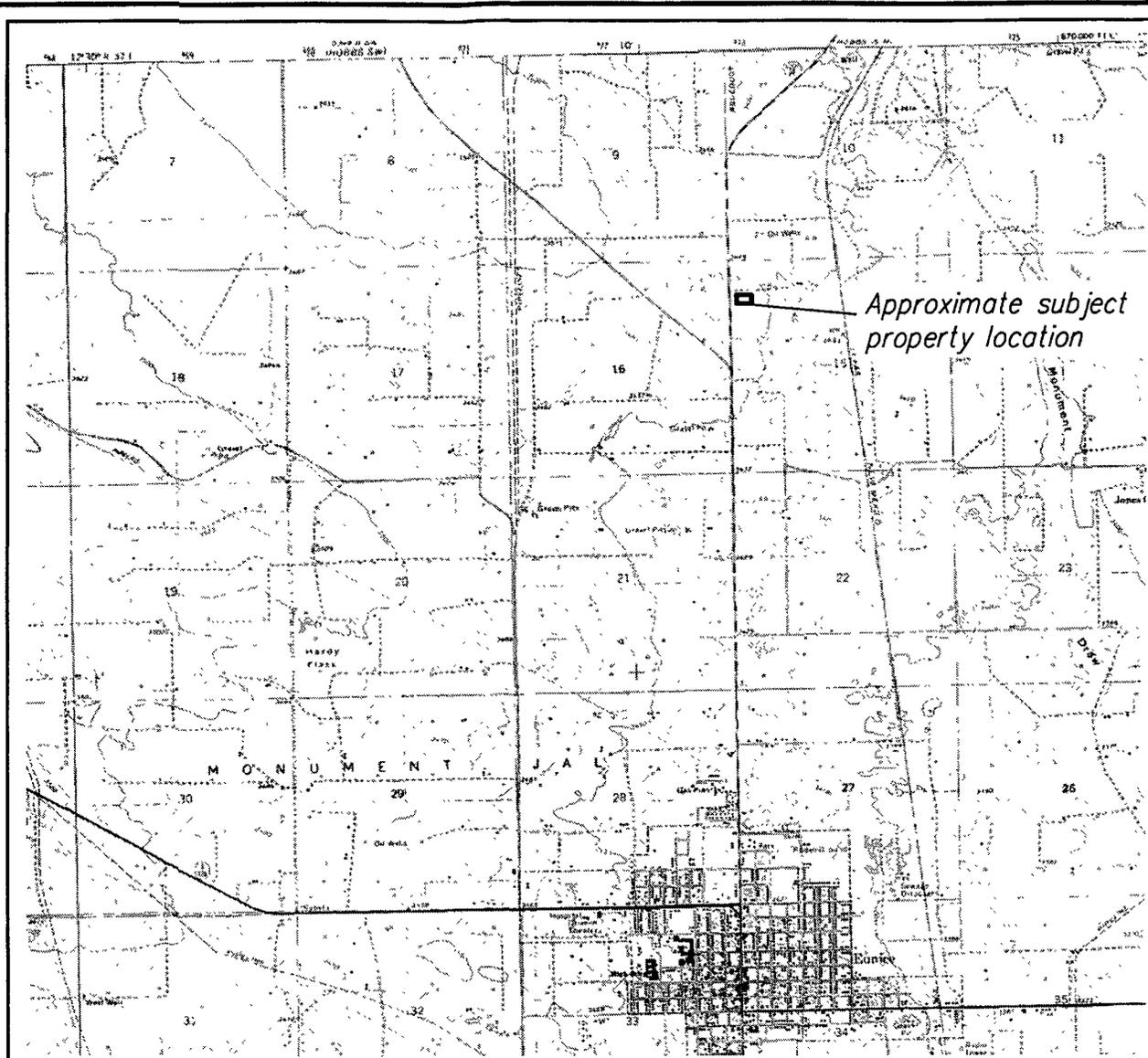
Affected lease road, Chevron State S #1 Unit D, Sec15-T21S-R37E well site and area surrounding. Recovered 275bbls with vacuum trucks. Terracon developing workplan.

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.

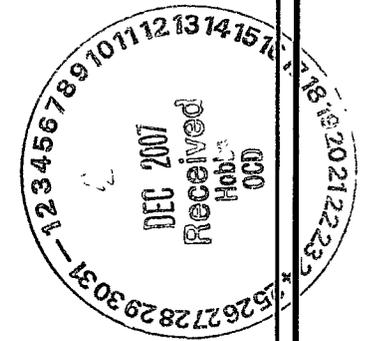
Signature:	<i>Edward D. Philley</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name:	Edward D (Ted) Philley	<i>[Signature]</i> Approved by District Supervisor: <b>ENVIRONMENTAL ENGINEER</b>	
Title:	Environmental Specialist II	Approval Date:	12.4.07
E-mail Address:	TPhilley@KeyEnergy.com	Expiration Date:	12.31.07
Date:	11/27/07	Conditions of Approval:	Attached <input type="checkbox"/>
Phone:	432-571-7141	<b>SUBMIT DELINEATION &amp; PLAN BY</b>	

\* Attach Additional Sheets If Necessary

RP# 1672



Scale: 1"=4,000'



Note:  
Base map is the Eunice, New Mexico USGS 7.5 minute series topographic maps (1969; photorevised 1979)

**Site Location Map**  
**Key Energy Discharge Plan BW-028**  
**Near Eunice, New Mexico**

**Figure 1**

5/17/08  
08-07

By: \_\_\_\_\_ Date: \_\_\_\_\_ Descr.: \_\_\_\_\_  
By: \_\_\_\_\_ Date: \_\_\_\_\_ Descr.: \_\_\_\_\_  
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Revisions

Drawn MLV  
Checked DJE  
Approved DJE



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