

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

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141
Revised August 8, 2011

AUG 12 2016

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

NAB1622838616 *4323*

| | | | |
|---|-----------------------------|--|---------------------------------------|
| Name of Company: Chevron USA Inc. | OPERATOR | <input checked="" type="checkbox"/> Initial Report | <input type="checkbox"/> Final Report |
| Address: 1616 W. Bender Blvd, Hobbs, NM 88240 | Contact: Josepha DeLeon | | |
| Facility Name: Ross Ranch 6 Fed 1H | Telephone No.: 432-425-1528 | | |
| | Facility Type: Pipeline | | |
| Surface Owner: BLM | Mineral Owner | API No.: 30-015-36883 | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| O | 06 | 26S | 30E | 350 | South | 1330 | East | Eddy |

Latitude: N32W 03' 55.15" Longitude: W 103° 55' 08.57"

NATURE OF RELEASE

| | | |
|--|--|--|
| Type of Release: Spill | Volume of Release: 83.5 BW | Volume Recovered: 83 BW |
| Source of Release: Heater Treater Mechanical Failure | Date and Hour of Occurrence: 7/30/2016: 7:30 p.m. | Date and Hour of Discovery: 7/30/2016: 7:30 p.m. |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Jim Amos - BLM; Heather Patterson - NMOCD via phone message and follow up with email | |
| By Whom? Josepha DeLeon | Date and Hour: 7/30/2016; 4:18 PM | |
| 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.*

Heater Treater mechanical failure leading to water leak.
Shut and secure well
Call a vacuum truck and remove all water from containment

Describe Area Affected and Cleanup Action Taken.*

We have contacted EPI to help us put together a work plan for clean up at this lease.

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>Josepha DeLeon</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Josepha DeLeon | Approved by Environmental Specialist: <i>[Signature]</i> | |
| Title: HES Compliance Support - Environmental Specialist | Approval Date: <i>8/15/16</i> | Expiration Date: <i>NIA</i> |
| E-mail Address: jdx@chevron.com | Conditions of Approval: <input checked="" type="checkbox"/> Remediation per O.C.D. Rules & Guidelines | |
| Date: 8/12/2016 Phone: 432-425-1528 | SUBMIT REMEDIATION PROPOSAL NO <i>2RP-3832</i> | |

* Attach Additional Sheets If Necessary

LATER THAN: *9/15/16*