

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

HOBBS OCD

SEP 02 2014

RECEIVED

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		X	Initial Report	Final Report
Name of Company	CHEVRON	Contact	David Pagano	
Address	56 Texas Camp Road, Lovington NM 88260	Telephone No.	Office: 575-396-4414 ext 275 Cellular: 505-787-9816	
Facility Name:	Keel Federal Battery	Facility Type:	3 Production Well Battery	
Surface Owner:	Federal	Mineral Owner		Lease No.

LOCATION OF RELEASE-API # 100ft south of Keel Federal Well #3 API = 30-025-33340
Lat: 32.702144 / Lon: -103.769719

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	33	18.0S	32E					Eddy

NATURE OF RELEASE

Type of Release	Crude Oil and produced Water Spill	Volume of Release	41.64 bbls fluid (32.76 bo & 8.88bw)	Volume Recovered	34 bbls (estimated 30bo & 4bw)
Source of Release	Production Separator Valve	Date and Hour of Occurrence	02/09/12 approx 11:00am	Date and Hour of Discovery	02/10/12 10:58am
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mr. Leking via voicemail @ 5:01pm on 02/10/12			
By Whom?	David Pagano				
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.*

The check valve in at the header failed due to over pressuring which was the result of miss aligned valves. Wells pumping into the Battery were shut in.

Describe Area Affected and Cleanup Action Taken.*

Approx 40.76bbls of fluid mostly oil spill. Some of the fluids remained on the pad but a large pool of fluids worked its way off the pad toward the southwest side of the battery and there was a approx 200x57 foot spray off the north end of the pad into the pasture. Vacuum truck immediately dispatched and vacuumed up standing liquids, 34bbls recovered. Backhoe operator excavated pool of fluids that posed a hazard to livestock. Chevron will wait for BLM Archeological/wildlife clearance prior to initiating cleanup of pasture. Spray off of pad into the pasture will be remediated by knocking off fluids from vegetation using biodegradable soap and then we are looking at using micro blaze to remediated contaminated soil. Surface sample will be taken next week to determine level of chlorides in order to evaluate potential effectiveness of micro blaze for pasture/off pad remediation.

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>David Pagano</i>	OIL CONSERVATION DIVISION	
Printed Name: David Pagano	Approved by District Supervisor: <i>Emmett Speed</i>	
Title: Health & Environmental Specialist	Approval Date: 9-2-14	Expiration Date: 11-2-14
Date: 01/25/12 Phone: 505-787-9816	Conditions of Approval: <i>Site specific region remediate area upon NMOCD guidelines</i>	Attached <input type="checkbox"/> <i>18P-3290</i>

* Attach Additional Sheets If Necessary

Submit final C-141 by 11-2-14.
09/12 4323
1701924 533890
0701924 534031

SEP 05 2014