

MDistrict 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

HOBBS OCD

SEP 02 2014

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

RECEIVED

Form C-141  
Revised August 8, 2011

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company <b>CHEVRON</b>	Contact <b>David Pagano</b>
Address <b>HCR 60, BOX 423 - Lovington, NM 88260</b>	Telephone No. Office: 575-396-4414 ext 275 Cellular: 505-787-9816
Physical: <b>56 Texas Camp Road, Lovington NM 88260</b>	
Facility Name: <b>Vacuum Grayburg San Andres Unit Battery</b>	Facility Type: <b>VGSAU Battery</b>
Surface Owner: <b>NA</b>	Mineral Owner <b>State of New Mexico</b> Lease No. <b>B-1733</b>

LOCATION OF RELEASE

Longitude: 32.780962° Latitude: -103.531263°

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
C	02	18.0S	34E					Lea

NATURE OF RELEASE

Type of Release <b>Spill to Land</b>	Volume of Release <b>5.6 BO</b>	Volume Recovered <b>5 BO</b>
Source of Release <b>Free Water Knock Out (FWKO)</b>	Date and Hour of Occurrence <b>3/22/13 05:30 AM</b>	Date and Hour of Discovery <b>3/22/13 07:00 AM</b>
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom? <b>Josie Deleon</b>	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.\*

PRV opened on the Free Water Knockout (FWKO) at the VGSAU Battery. CO2 Plant and Flare Gas system upsets caused FWKO to pressure up and release fluids out the PRV. Field Operations, on discovery, shut in field to stop and minimize size of release.

Describe Area Affected and Cleanup Action Taken. \*

Release resulted in spray of oil in a 50 x 15 foot area to the south west of the FKWO and fluids to spill to the ground in a 12 x 15 foot area around the FKWO and fluids to pool in two 8 foot circles to the south east of the FKWO. Hyrdro Vac truck vacuumed up standing fluids and recovered 5 bbls of oil. Next step is to excavate visibly contaminated soil up to 18" and haul off to disposal facility. Contamination beyond 18" will be remediated when facility is abandoned.

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: <b>David Pagano</b>	OIL CONSERVATION DIVISION	
Printed Name: <b>David Pagano</b>	Approved by: District Supervisor: <b>[Signature]</b>	
Title: <b>Health &amp; Environmental Specialist</b>	Approval Date: <b>9-2-14</b>	Expiration Date: <b>11-2-14</b>
Date: <b>4/1/13</b> Phone: <b>505-787-9816</b>	Conditions of Approval: <b>Site Supervisor</b>	Attached <input type="checkbox"/> <b>IRP-3295</b>

\* Attach Additional Sheets If Necessary

Releases & remediate area upon NMOCD  
approval. Submit final C-141 by  
11-2-14

09-21-14 4323  
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SEP 05 2014