

NM OIL CONSERVATION

ARTESIA DISTRICT

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

NOV 19 2014

Form C-141
Revised August 8, 2011

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

RECEIVED

Release Notification and Corrective Action

OPERATOR

XX Initial Report ☐ Final Report

Name of Company Key Energy Services LLC 19747	Contact Mike Slaughter or Wayne Price-Price LLC
Address 1807 E Buckley St Brownfield Tx 79316	Telephone No. 505-715-2809
Facility Name BKE BKE #1	Facility Type SWD

Surface Owner Private	Mineral Owner	API No. 30-015-23493
-----------------------	---------------	----------------------

LOCATION OF RELEASE

Unit Letter H	Section 13	Township 23S	Range 27E	Feet from the 2310	North/South Line N	Feet from the 860	East/West Line E	County Eddy
------------------	---------------	-----------------	--------------	-----------------------	-----------------------	----------------------	---------------------	----------------

Latitude _____ Longitude _____

NATURE OF RELEASE

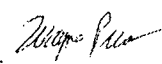

Type of Release- Produced Water & Small Amount of Skim Oil	Volume of Release: Raw Estimate 250-296***	Volume Recovered- 250 bbl's
Source of Release: Injection Pump Suction Tank	Date and Hour of Occurrence Nov 9 or 10, 2014 Night Time	Date and Hour of Discovery Nov 10, 2014, Morning Hours
Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? OCD-Artesia	
By Whom? Wayne Price-Price LLC	Date and Hour Nov 10 E-mail 12:51pm	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse. NA	

If a Watercourse was Impacted, Describe Fully.* NA

Describe Cause of Problem and Remedial Action Taken. Tank overflowed, possible stuck check valve, ran produced water and skim oil into berm area. It appears a small amount ran over the berm on the west side, where berm was eroded due to recent heavy rains in area. There is a visual salt stain on backside of battery. See Photos.

Describe Area Affected and Cleanup Action Taken. Key vacuum trucks picked up fluids and put back in other tanks on-site. Inside berm area has some oily & salt stain. See Photos. Note: *** The level of the spill measured about 6-8 inches and it pooled mostly on the west side inside of the berm area. Calculating the worst-case volume using 8" would be 296 barrels. So a good estimate of the release is 250-296 bbls.

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: 	OIL CONSERVATION DIVISION	
Printed Name: Wayne Price-Price LLC	Approved by Environmental Specialist Signed By: 	
Title: NM Agent/Consultant	Approval Date: 11/20/14	Expiration Date: N/A
E-mail Address: wayneprice77@earthlink.net	Conditions of Approval: Attached <input type="checkbox"/>	
Date: Nov 19, 2014 Phone: 505-715-2809	Remediation per O.C.D. Rules & Guidelines	

• Attach Additional Sheets If Necessary-Photos Attached

SUBMIT REMEDIATION PROPOSAL NO
LATER THAN: 12/20/14

2RP-2618

Bratcher, Mike, EMNRD

From: wayne price <wayneprice77@earthlink.net>
Sent: Wednesday, November 19, 2014 8:29 PM
To: Dade, Randy, EMNRD; Bratcher, Mike, EMNRD; Inge, Richard, EMNRD
Cc: Mike Slaughter; Dan Gibson; Maren Coligan
Subject: Key Energy C-141 for BKE SWD
Attachments: BKE C-141.pdf

Dear OCD Artesia,

Please find attached an initial spill report with photos for a recent tank overflow that occurred at our BKE SWD. Key has plans on rebuilding this facility hopefully within the next 6 months, and will perform a clean-up at that time. Due to the limited fluid release, we do not feel the remaining contaminants are a significant threat to the environment.

If we need to take actions sooner, then please notify us and we will submit an action plan for your approval.

Wayne Price-Price LLC

Patterson, Heather, EMNRD

From: Dade, Randy, EMNRD
Sent: Monday, November 10, 2014 1:32 PM
To: Patterson, Heather, EMNRD
Subject: FW: Key BKE API # 30-015-23493

-----Original Message-----

From: wayne price [<mailto:wayneprice77@earthlink.net>]
Sent: Monday, November 10, 2014 12:56 PM
To: Dade, Randy, EMNRD; Bratcher, Mike, EMNRD; Inge, Richard, EMNRD
Cc: Mike Slaughter; Bobby Sisson; John Sanders
Subject: Key BKE API # 30-015-23493

Dear OCD;

Key Energy had a release of produced water at the BKE SWD site H-13- T23s-R27e. We currently are taken emergency actions and have stopped the release and are picking up water with Vac trucks. Once the immediate actions are over we will submit a spill report within the time allotted. The report will contain cause, actions taken and remedial action, if any, to be taken with OCD approval. It's my understanding no fluids left the site and is contained inside of the berms.

Wayne Price-Price LLC

Patterson, Heather, EMNRD

From: Dade, Randy, EMNRD
Sent: Monday, November 10, 2014 1:31 PM
To: Patterson, Heather, EMNRD
Subject: FW: Key BKE API # 30-015-23493

-----Original Message-----

From: wayne price [<mailto:wayneprice77@earthlink.net>]
Sent: Monday, November 10, 2014 12:39 PM
To: Dade, Randy, EMNRD; Bratcher, Mike, EMNRD; Inge, Richard, EMNRD
Cc: Mike Slaughter; Bobby Sisson; John Sanders; waprice23@hotmail.com
Subject: Key BKE API # 30-015-23493

Dear OCD;

Key's BKE SWD had a release of produced water. All fluids are contained on site and we currently picking up the water. Once our emergency actions are over we will submit a spill report within 15 days which will include actions taken and remediation plans to be taken for OCD approval.

Wayne Price-Price LLC