

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

NAB1535235369 OPERATOR X Initial Report Final Report

Name of Company Chevron USA 4323	Contact Kim Klahsen	
Address HCR 60 Box 423 Lovington, N.M. 88260	Telephone No. 505-396-4414 X 228	
Facility Name: Skelly 940	Facility Type PRODUCTION BATTERY	
Surface Owner FEDERAL BLM	Mineral Owner FEDERAL	Lease No. FEDERAL LEASE NO.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	South Line	Feet from the	East Line	County
A	22	17s	31E	940	FNL	330	FWL	Eddy

Latitude: / Longitude: -

NATURE OF RELEASE

API # 30-015-32599

Type of Release Spill	Volume of Release 1.15 bbl oil and 164 bbl produced water	Volume Recovered 140 bbl produced water
Source of Release Tank overflow at the Skelly 940 battery	Date and Hour of Occurrence 9-23-2010	Date and Hour of Discovery 9-23-2010 @ 8:00
Was Immediate Notice Given? Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Verbal notice to Geoffry Leking on 9/24/10 by Kim Klahsen	
By Whom?	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.*

A power failure was the main cause of the spill. A communication failure resulted from the power failure and a tank filled but did not overflow into an adjacent tank as designed. Most of the spilled fluid remained in a lined dike area where a vacuum truck removed the fluid to proper disposal. The dike failed in one area and some of the liquid flowed into the area surrounding the tank field. Soil samples were collected to determine the concentration of BTEX, Chlorides, and TPH.

Describe Area Affected and Cleanup Action Taken.

This is an impact to soil. So far, only free liquids have been removed from the area of the spill.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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: Kim Klahsen		Signed By <u>Mike Brachman</u> Approved by District Supervisor	
Title: Operations : HES		Approval Date: 12/18/15	Expiration Date: N/A
E-mail Address KDKL@chevron.com		Conditions of Approval: Remediation per O.C.D. Rules & Guidelines Attached <input type="checkbox"/>	
Date: October 6, 2010 Phone: 396-4414 X 228		REMEDIAL PROPOSAL NO	

* Attach Additional Sheets If Necessary

LATER THAN: 11/8/16

2RP-3458