

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

OPERATOR

X

Initial Report

Final Report

Name of Company Chevron USA	Contact Tejay Simpson
Address HCR 60 Box 423 Lovington, N.M. 88260	Telephone No. 505-396-4414 X 201
Facility Name LOVINGTON PADDOCK UNIT CENTRAL BATTERY	Facility Type PRODUCTION BATTERY

Surface Owner City of Lovington	Mineral Owner State of NM	Lease No. OGRID No. 241333 B-7845
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LOCATION OF RELEASE

NEARBY WELL LPUC 048
API # 30-025-03825-00-00

Unit Letter B	Section 1	Township 17S	Range 36E	Feet from the	South Line	Feet from the	East Line	County Lea
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Latitude: 32 Degree 52' 8.13" N / Longitude: 103 Degree 18' 18.77" W

NATURE OF RELEASE

API #not assoc with a well

Type of Release Crude Oil	Volume of Release Oil 36.77 Barrels	Volume Recovered 35.4 Barrels
Source of Release FWKO 2" threaded two piece ball valve on a dead leg gas line coming off of the top of the vessel.	Date and Hour of Occurrence 12/05/2009 @ 09:54	Date and Hour of Discovery 12/05/2009 @ 09:54
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mark Whitaker	
By Whom?	Date and Hour 12/05/2009 @ 11:36	
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.*

WATER @ 80'

Describe Cause of Problem and Remedial Action Taken.*

At approximately 09:54, CVX Field Specialist Neil Abernathy observed an apparent gas leak on the south side of the LPU primary FWKO while driving back towards the central battery from the LPU Satellite No. 5. Upon arrival at the battery he observed oil starting to come out of what appeared to be a closed valve coming off of the top of the FWKO. The pressure on the system was checked to determine if the release was related to a high pressure event and the actuation of the PSV. Pressure was low. Field Specialist called for assistance. The Field Specialist opened the inlet valve to the secondary FWKO and then proceeded to the inlet header and switched the production out of the primary FWKO and into the secondary FWKO. The release of oil out of the FWKO began to subside (10:20). Notification to Operations Supervisor was made and emergency spill response was activated. The immediate cause of the event was a 2" two piece threaded ball valve that apparently froze and parted resulting in full open failure. Spill volume was measured and calculated at 36.77 barrels of oil with 36.47 barrels of oil being contained within the unlined dike. 0.40 barrel of oil splashed over the top of the dike and impacted the caliche roadway on the south side of the battery. 35.4 barrels of oil was recovered out of the dike and returned to the oil stock tank. The remaining 1.37 barrels of oil was recovered along with the contaminated soil that was impacted and disposed of in the CRI contaminated soil roll-off that is located at the battery. The failed valve and associated piping that resulted in a dead leg was eliminated and an isolation valve installed immediately adjacent to the top of the vessel. The vessel was returned to operation. Free standing fluid was recovered and returned to the stock tank within two hours of release. Contaminated soil cleanup was completed within five hours of release. Follow-up inspection of the facility and final pressure wash of vessel and piping will be completed prior to December 12th.

City of Lovington representative Kurt Porter was notified of the incident at 10:47 for initial notification and followed up at 13:09 with additional information.

FGRL0934355120

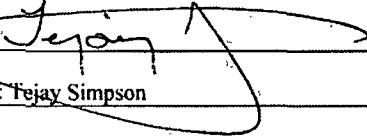
Describe Area Affected and Cleanup Action Taken.

Dirt and caliche diked area around the LPU FWKO. Minor impact on caliche roadway immediately adjacent to the FWKO on the south side of the location. Portable Envirovac was used at time of release by contract personnel to recover all free standing fluid. 35.4 barrels of the 36.77 barrel oil release was recovered and returned to the stock tank within two hours of the release. Backhoe was dispatched and assisted the gang in the cleanup of the contaminated soil. Contaminated soil was placed in the CRI contaminated soil roll off that is located at the battery. Final clean-up will be conducted and completed by December 12th.

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.

OIL CONSERVATION DIVISION

Signature:



Printed Name: Fejay Simpson

Title: Operations Supervisor

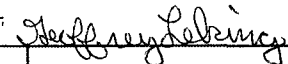
E-mail Address: iscq@chevron.com

Date: 12/06/2009

Phone: 396-4414 X 201

ENVIRONMENTAL

Approved by District Supervisor:



Approval Date: 12/09/09

Expiration Date: 02/09/10

Conditions of Approval: DELINEATE TO
CLEAN + 1. SUBMIT FINAL C-141
BY 02/09/10

Attached ☐

IRP-09.12.2365

* Attach Additional Sheets If Necessary