

NM OIL CONSERVATION

ARTESIA DISTRICT

APR 12 2016

Form C-141

Revised August 8, 2011

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

Sub **RECEIVED** appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

NAB1010356886

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Chevron USA	Contact	Stephen Gwin
Address	1616 W. Bender Blvd, Hobbs, NM 88240	Telephone No.	575-408-0073
Facility Name	Lotos C Federal 907	Facility Type	Oil Well

Surface Owner	BLM	Mineral Owner		API No.	30-015-34945
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	9	24S	31E	410	North Line	1651	East Line	Eddy

Latitude 32.2379913 Longitudes -103.7795563

NATURE OF RELEASE

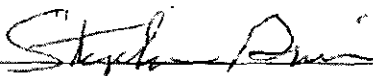

Type of Release	Crude Oil and Produced Water	Volume of Release	~ 17.5 bbls	Volume Recovered	~15.5 bbls
Source of Release	Damaged 1 inch nipple on well head.	Date and Hour of Occurrence	3/30/2016 ~ 6:00 AM	Date and Hour of Discovery	3/30/2016 - 9:00AM
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	Notified Mike Bratcher		
By Whom?	Stephen Gwin	Date and Hour	4/5/2016	by phone	
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.*
Fluid was discovered coming from a 1 inch nipple on the wellhead that had been damaged at the Lotos C Federal 907 well. The Chevron Field Specialist shut in well and then had a vacuum truck pick up the spilled material. Repairs will be made to the well before putting it back into production.

Describe Area Affected and Cleanup Action Taken.*
Vacuum trucks were called to pick up the spilled material and approximately 15.5 bbls were picked up. Soil under the spill area is hard packed caliche. Soil will be removed to a depth of three to four inches and soil samples will be taken at that time to determine if additional soil removal is needed. Once acceptable levels have been achieved, closure will be requested.

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: Stephen Gwin	Signed By:  Approved by Environmental Specialist:	
Title: HES Field Advisor	Approval Date: 4/12/16	Expiration Date: N/A
E-mail Address: Stephen.gwin@chevron.com	Conditions of Approval: Remediation per O.C.D. Rules & Guidelines <input type="checkbox"/>	
Date: 4/12/2016 Phone: 575-408-0073	SUBMIT REMEDIATION PROPOSAL NO	

* Attach Additional Sheets If Necessary

LATER THAN: 5/13/16 **2RP-3644**