

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

30-015-28556

Release Notification and Corrective Action

MLB0631152725

12558

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Kerr-McGee Oil and Gas Onshore LP	Contact Richard Schauffler	
Address PO Box 1478, Carlsbad, NM 88220	Telephone No. 281.673.6099	
Facility Name Bright Federal 28-2	Facility Type Oil and Gas Production	
Surface Owner State of NM (BLM land)	Mineral Owner Kerr-McGee Oil and Gas Onshore LP	Lease No. Bright Federal 28-2

LOCATION OF RELEASE

Unit Letter	Section 21	Township 21S	Range 23E	Feet from the 1650	North/South Line south	Feet from the 1650	East/West Line west	County Eddie
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Latitude 32° 26.82' Longitude 104° 36.58'

NATURE OF RELEASE

Type of Release produced water (no condensate and/or oil)	Volume of Release 15 bbls	Volume Recovered ten (10) bbls
Source of Release leak in SDR7 polyline from Bright Federal transfer line to Bunnel #3 SWD well	Date and Hour of Occurrence unknown	Date and Hour of Discovery 06.15.2006 @ ≈ 1518MST
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
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.*

No watercourse or waters of the state or US were impacted/affected.

Describe Cause of Problem and Remedial Action Taken.*

Leak in SDR7 polyline from Bright Federal transfer line to Bunnel #3 SWD well; affected/impacted area was immediate to the flowline; preventative action for re-occurrence will involve repair/replacement of this section of the flowline.

Describe Area Affected and Cleanup Action Taken.*

The impacted area was immediate to the flowline. Ten (10) barrels of produced water were recovered. The estimated surface area impact is one-thousand (2000) square feet and approximately 0.02 inch of vertical soil impact occurred. This affected area will be fertilized and tilled to mix and promote bioremediation of the impacted soil.

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: <i>Richard P. Schauffler</i>	OIL CONSERVATION DIVISION TIM GUM by MB	
Printed Name: Richard P. Schauffler, REM	Approved by District Supervisor: <i>Mick...</i>	
Title: Supervisor, EHS, Southern Region	Approval Date: <i>6/27/06</i>	Expiration Date: <i>N/A</i>
E-mail Address: <i>rschauffler@kmg.com</i>	Conditions of Approval: <i>N/A</i>	Attached <input type="checkbox"/>
Date: <i>06.27.06</i> Phone: 281.673.6099		

* Attach Additional Sheets If Necessary



RECEIVED
JUN 30 2006
OCCUPATIONAL

Richard Schauffler, REM
EHS SUPERVISOR, SOUTHERN REGION

KERR-MCGEE OIL & GAS ONSHORE LP
16666 NORTHCHASE DRIVE • HOUSTON, TX 77060
281-673-6099 • FAX 281-673-4099
E-MAIL: RSCHAUFFLER@KMG.COM

June 27, 2006

New Mexico Energy Minerals and Natural Resources
Oil Conservation Division
District II
1301 West Grand Avenue
Artesia, New Mexico 88210

RE: **Spill Report**
Kerr-McGee Oil and Gas Onshore LP
Bright Federal 28-2
Indian Basin
Sec: 21 Twn: 21S Rng: 23E
Latitude 32° 26.82' and Longitude 104° 36.58'
Eddie County, New Mexico

30-015-28552

In accordance with New Mexico Administrative Code ("NMAC"), please find written documentation and the state required Form C-141 for a discharge which occurred at the above referenced on June 15, 2006.

Approximately fifteen (15) barrels of produced water and zero (0) barrels of condensate/oil were released due to a leak in the flowline. The impacted area was immediate to the flowline and no waters of the state and/or US were affected. Ten (10) barrels of produced water were recovered. The estimated surface area impact is two-thousand (2000) square feet and approximately 0.02 inch of vertical soil impact occurred. This affected area will be fertilized and tilled to mix and promote bioremediation of the impacted soil.

Preventative action for re-occurrence will involve replacement of this section of flowline.

If you have any questions, or need additional information, please contact me at 281.673.6099.

Sincerely,

Richard P. Schauffler, REM
Kerr-McGee Oil & Gas Onshore LP
EH&S Supervisor, Southern Region

encl. Form C-141/Release Notification and Corrective Action

c: Bureau of Land Management ("BLM")
Mr. Jim Amos
620 East Green
Carlsbad, NM 88220

Stuart Wittenbach
Danny Henderson
Clay Hill
Bobby Hess
Keith Conner
Steve Brannan
EHS file

30-015-28556



KERR-MCGEE OIL & GAS CORPORATION

SOUTHERN DIVISION SPILL REPORT

KME-10432 (01/06)

Report center no.	Facility name	Facility type	State	County	Field
	Bright Federal 28-2 Facility	Battery	New Mexico	Eddy	Indain Basin
Legal description				Incident date	Incident time
Sec 21-T21-R23E				6/15/2006	08:00
Incident description					
Leak in SDR7 polyline from Bright Federal transfer line to Bunnel #3 SWD					
Property damage description				Date known to K-M	Time known to K-M
				6/15/2006	15:18
Responsible department		State reportable		Reported to EH&S by	Date reported to EH&S
Production-1010N		No		Bobby Hess	6/15/2006
Spill type	Source	Primary cause		Secondary cause	
Liquid	Flowline-1020N	Mechanical Failure-05		Select from list	
Cleanup action		Action to prevent recurrence		RECEIVED JUN 30 2006 WUW-ATTE-01A	
remediate in place		Replace section of line			
Cleanup date	Area (sq. ft.)	Depth of spill into ground (ft.)		Spill contained inside berm	
6/16/2006	2000	0.02		No	
Surface owner	Witness	District name and number		Lease name number	
Federal	Steve Brannan	OCD 2		Bright Federal 28	

Product spilled	Quantity spilled (BBLs)	Quantity recovered (BBLs)
Produced Water-1020N	15	10
Select from list		
Select from list		
Media type	Media type additional	
Soil-1030N	Select from list	
If in water, explain		

Spill Cost

KMG staff hours	Miscellaneous cost
2	500
Damages paid to owner	Total agency fines
Contractor	Cost
Contractor	Cost
Contractor	Cost
Contractor	Cost

Agency Notification			
1	Agency	Contact	Contact number
	Date of call	Time of call	Employee who called
	Comments		
2	Agency	Contact	Contact number
	Date of call	Time of call	Employee who called
	Comments		
3	Agency	Contact	Contact number
	Date of call	Time of call	Employee who called
	Comments		
4	Agency	Contact	Contact number
	Date of call	Time of call	Employee who called
	Comments		

Preparer	Date
Keith Conner	June 19, 2006
Comments	