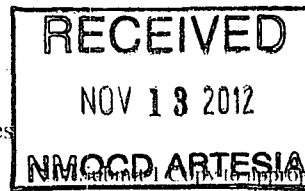


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Form C-141
Revised August 8, 2011

Submit to the appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

Name of Company Chevron USA Inc. 4323		Contact David A. Pagano	
Address 15 Smith Rd., Midland, TX, 79705		Telephone No. wk: 575-396-4414X275 cell: 505-787-9816	
Facility Name Skelly 907 BTY		Facility Type Oil Production Batteries	
Surface Owner Federal BLM		Mineral Owner Federal	API No. 30-015-31385

SKU 907 BTY (CTB) - Latitude: 32.819634 / Longitude: -103.872881

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	22	17S	31E					Eddy

21 17 31

NATURE OF RELEASE

Type of Release Gases to a Flare	Volume of Release 6183.3 MSCF	Volume Recovered 0 MSCF
Source of Release Flare	Date and Hour of Occurrence 11/06/12 02:00AM	Date and Hour of Discovery 11/06/12 02:00AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Bratcher, Mike, EMNRD	
By Whom?	Date and Hour 11/05/12 12:50 PM left voicemail	
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.* N/A

Describe Cause of Problem and Remedial Action Taken.*

Frontier shut in sales line to complete maintenance at Maljamar Gas Plant. Frontier expected to be down from 10-24 hours; however, frontier line pressure continued to remain at 87psi not allowing our gas to go down the sales line due to issues at the Frontier Plant until 12:00PM on 10/10/12.

Describe Area Affected and Cleanup Action Taken.*

Shut in wells to minimize flaring. Stayed in close contact with frontier so we stopped flaring as soon as they are able to accept our gas in the sales line.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC D 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 D 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 D 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: David A. Pagano		OIL CONSERVATION DIVISION	
Printed Name: David A. Pagano		Accepted for record NMOC D	
Title: Health & Environmental Specialist		Approval Date:	Expiration Date:
E-mail Address: dpagano@chevron.com		Conditions of Approval:	Attached <input type="checkbox"/>
Date: 11/13/12 Phone: 505-787-9816			

* Attach Additional Sheets If Necessary

2RP-1555

Bratcher, Mike, EMNRD

From: Pagano, David (David.Pagano) <David.Pagano@chevron.com>
Sent: Tuesday, November 13, 2012 5:04 PM
To: Bratcher, Mike, EMNRD
Subject: Final C141 report for flaring at SKU940 on 11/06/12 - 11/06/12 and SKU 907 on 11/06/12 - 11/10/12
Attachments: 20121106 C-141 Skelly 908 & 940 Bty Flare Final.PDF

Mike,

Here are the final C-141 reports for both the Skelly 940 Battery and 907 Battery that started flaring on 11/06 due to Frontier shutting us in to complete maintenance at their Maljamar Plant.

Regards,

David A. Pagano

MCA Health & Environmental Specialist (Oil Area – Vacuum/Buckeye, Dollarhide & Sundown)

56 Texas Camp Rd., Lovington, NM 88260

☎ Phone: 575-396-4414 x275

☎ Cell: 505-787-9816

☎ Fax: 575-396-6913

dpgn@chevron.com

"CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message; then please delete this email."

From: Bratcher, Mike, EMNRD [<mailto:mike.bratcher@state.nm.us>]
Sent: Tuesday, November 13, 2012 7:47 AM
To: Pagano, David (David.Pagano)
Subject: RE: Final C141 report for flaring at SKU940 on 11/06/12 - 11/07/12

David,

There was a letter from Frontier attached, but no C-141.

Mike Bratcher
NMOCD District 2
811 S. First Street
Artesia, NM 88210
O: 575-748-1283 X108
C: 575-626-0857
F: 575-748-9720

From: Pagano, David (David.Pagano) [<mailto:David.Pagano@chevron.com>]
Sent: Thursday, November 08, 2012 9:40 AM
To: Bratcher, Mike, EMNRD
Cc: Moschetti, Nick (NMOS); DeLeon, Josepha; Booker, Lloyd R (LloydBooker)
Subject: Final C141 report for flaring at SKU940 on 11/06/12 - 11/07/12

Mike,

Here is the final C-141 report for the flaring that occurred at our Skelly 940 battery on 11/6/12 due to the Frontier Plant shutting us in to complete maintenance.

Please note that our Skelly 907 battery, which was shut in at the same time, is continuing to flare due to issues at the plant. Our Field Specialist and Gas Tester are working to contact Frontier to determine when Frontier expects to be back online. I will send a C-129, later today, once we know how long we expect to be down and the final C141 when the flaring at the Skelly 907 battery has stopped.

Regards,

David A. Pagano

MCA Health & Environmental Specialist (Oil Area – Vacuum/Buckeye, Dollarhide & Sundown)

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dpagn@chevron.com

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Bratcher, Mike, EMNRD

From: Pagano, David (David.Pagano) <David.Pagano@chevron.com>
Sent: Tuesday, November 13, 2012 8:24 AM
To: Bratcher, Mike, EMNRD
Subject: RE: Final C141 report for flaring at SKU940 on 11/06/12 - 11/07/12

Mike,

I should have the final report for the Skelly Unit 907 today and I will send both the 940 & 907 to you by the end of today.

Regards,

David A. Pagano

MCA Health & Environmental Specialist (Oil Area – Vacuum/Buckeye, Dollarhide & Sundown)

56 Texas Camp Rd., Lovington, NM 88260

☎ Phone: 575-396-4414 x275

☎ Cell: 505-787-9816

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Regards,

David A. Pagano

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Subject: Final C141 report for flaring at SKU940 on 11/06/12 - 11/07/12
Attachments: 20121105 C-141_SKU 940 Bty Flare Final.pdf

Mike,

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Please note that our Skelly 907 battery, which was shut in at the same time, is continuing to flare due to issues at the plant. Our Field Specialist and Gas Tester are working to contact Frontier to determine when Frontier expects to be back online. I will send a C-129, later today, once we know how long we expect to be down and the final C141 when the flaring at the Skelly 907 battery has stopped.

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P.O. Box 7
Maljamar, NM 88264
October 11, 2012

Chevron Production
56 Camp Road
Lovington, NM 88260

Dear Producer:

The Maljamar Gas Plant will be shutting down for maintenance on Tuesday, November 6, 2012. We will begin blocking in gas sales at the meter runs on your location beginning Monday, November 5th at approximately 10:00p.m. We anticipate this shutdown to last approximately 10 hours beginning at 5:00a.m. on November 6th. During this time, we request that you shut in your lease(s) to minimize Plant flare as the Plant will not process any gas for the duration of the downtime. After the shutdown, our Measurement Techs will start opening meter runs; however due to the number of meters, this may take up to 12 hours to open the valves on all meters. If you would like a status update for your meter(s), please call your technician listed below.

Additionally, we request your assistance in ensuring this and future notices reach you in a timely manner. Attached to this letter is a listing of our meters wherein we show your company as the current operator of the corresponding lease. If you are no longer the operator of record for any of the leases on your attached listing, please advise us so that we may update our records to reflect this change. Please send all changes to Tammy Hobbs via email to thobbs@akaenergy.com or by phone to 575-676-3500.

Producer	Chevron Production
Address1	56 Camp Road
Address2	
City, State Zip	Lovington, NM 88260
Contact Person	_____
Office Number	_____
Cell Number	_____
Email address	_____

Thank you for your assistance! We greatly appreciate it!

Sincerely,

Jerry D. Wright
Measurement Foreman
575-676-3512 (office)
575-361-0154 (cell)
jwright@akaenergy.com

Ed Kelsey
Measurement Tech
575-676-3513 (office)
575-361-0367 (cell)
ekelsey@akaenergy.com

Bobby Mallett
Measurement Tech
575-676-3515 (office)
575-361-0392 (cell)
bmalett@akaenergy.com

James Torrez
Measurement Tech
575-676-3514 (office)
575-200-5136 (cell)
jtorrez@akaenergy.com

Producer: Chevron Production

Meter ID	Status	Lease
06075166	Active	MT Keohane Fed #3
06065682	Active	N. Lusk 29 Fed #1
06135005	Active	Skelly #951
06165761	Active	Skelly Central Battery
06135006	Active	Skelly Unit #940
06155645	Active	Tex Mack 11 Fed #1
06155708	Active	Tex Mack 2 State Com #2
06155010	Active	TexMack 36 State Com #1