

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

☒ Initial Report ☐ Final Report

| | | | |
|-----------------|------------------------------------|---------------|----------------|
| Name of Company | ChevronTexaco | Contact | Larry Williams |
| Address | HCR 60 Box 423 Lovington, NM 88260 | Telephone No. | 505-394-1237 |
| Facility Name | Central Vacuum Unit 97 | Facility Type | Well |
| Surface Owner | State of NM | Mineral Owner | |
| Lease No. | | | |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| C | 6 | 18S | 35E | | | | | Lea |

Latitude _____ Longitude _____

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|--------------------------|----------------------------|-------------------------|
| Type of Release | Crude oil and produced water | Volume of Release | 28 bbl wtr and 4 bbl oil | Volume Recovered | 1 bbl wtr and 1 bbl oil |
| Source of Release | broken valve on casing | Date and Hour of Occurrence | 10-09-04 7:00 AM | Date and Hour of Discovery | 10-09-04 7:00 AM |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input 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.*

Describe Cause of Problem and Remedial Action Taken.*

While rigging up workover unit, a guy wire hung the casing valve and broke the 1" valve off. This causing the fluid to blow up the casing and into the air. The casing had 150 Psi on it at time the valve pulled out of the threads. The well was shut in and normally makes 37 oil and 267 water. The well was blowing for about 2.5 hours before turning it into the test tank and putting a valve back on the casing. If you figure the rate of production by the hour that this well makes it is 1.5 bbl of oil and hour and 11.1 bbl of water per hour. This is how we tried to estimate the volume of fluid sprayed out. It figures out to 28 water and 4 oil. The wind that day was blowing around 30 mph. Cleaned up on location and mowed the vegetation that was sprayed.

Describe Area Affected and Cleanup Action Taken.*

Will meet with the State Land department (Leon Anderson) on Monday the 22nd to discuss if more is needed to clean up affected area. 1050' x 1050' sprayed with mist. Had backhoe clean up on site and hauled hydrocarbon impacted soil to land farm. Mowed the vegetation that was sprayed.

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>Larry Williams</i> | | OIL CONSERVATION DIVISION | |
| Printed Name: Larry Williams | | Approved by District Supervisor: <i>Chris Williams</i> | |
| Title: HES Champion | | Approval Date: <i>5/21/07</i> | Expiration Date: <i>6/21/07</i> |
| E-mail Address: lcwl@ChevronTexaco.com | | Conditions of Approval: <i>Need final closure report.</i> | Attached <input type="checkbox"/> |
| Date 11-19-2004 Phone: 394-1237 | | | |

* Attach Additional Sheets If Necessary

NPRS0432935482
PACO 714349992

RPT# 1355