

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**

*n KMW 1108957584*

Name of Company <b>Chevron USA</b>		Contact <b>Kim Klahsen</b>	<b>X</b>	Initial Report	Final Report
Address <b>HCR 60 Box 423 Lovington, N.M. 88260</b>		Telephone No. <b>505-396-4414 X 128</b>			
Facility Name <b>Skelly 963</b>		Facility Type <b>Production Well</b>			
Surface Owner		Mineral Owner		Lease No.	

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	South Line	Feet from the	East Line	County
O	15	17	31	330		2310		Eddy

Latitude **32.8282493881** Longitude **103.856496754**

**NATURE OF RELEASE**

API # **3001534646**

Type of Release <b>Produced water</b>	Volume of Release Oil <b>0 Barrels</b> Water <b>5.4 Barrels</b>	Volume Recovered <b>0 Oil</b> <b>0 BW</b>
Source of Release <b>Flow line</b>	Date and Hour of Occurrence <b>11/08/09 12:00 PM</b>	Date and Hour of Discovery <b>11/08/09 14:00 PM</b>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <b>Artesia office NM OCD</b>	
By Whom? <b>Larry Ridenour</b>	Date and Hour <b>11/08/09 PM</b>	
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.\*

A flowline burst causing a release of 5.4 bbls of produced water. The well was shut in to prevent additional release and the extent of the spill was determined on the ground surface. The site will be sampled to determine the extent of the contamination and a remediation plan will be developed to reduce contaminants to below threshold levels.

Chlorides

Describe Area Affected and Cleanup Action Taken.

Land surface affected is approximately 200 feet \* 30 feet. There were no liquids recovered so the soil will be sampled to delineate the contamination and the soil will either be removed or remediated after we determine the extent of contamination.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCDC 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 NMOCDC 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, NMOCDC 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>Kim Klahsen</i> <b>575-396-4414 X 128</b> <b>432-894-3298</b>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: <b>Kim Klahsen</b>	Approved by District <i>Mike Brannon</i>	Signed By: <i>Mike Brannon</i>
Title: <b>HES Specialist</b>	Approval Date: <b>3/30/11</b>	Expiration Date:
E-mail Address: <b>kdkl@chevron.com</b>	Conditions of Approval:	Attached <input type="checkbox"/>

REMEDATION per OCD Rules and  
Guidelines. **SUBMIT REMEDIATION**

PROPOSAL BY: **4/30/11**

**2 RP. 674**

Date: 11-11-09

Phone: 396-4414 X 128

\* Attach Additional Sheets If Necessary