

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

RECEIVED

JAN 27 2012

NMOCD ARTESIA

Form C-141
Revised March 17, 1999

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

30-015-32595

nMLB1204438942

OPERATOR X Initial Report Final Report

Name of Company	CHEVRON	4323	Contact	David Pagano
Address	56 Texas Camp Road, Lovington NM 88260		Telephone No.	Office: 575-396-4414 ext 275 Cellular: 505-787-9816
Facility Name	Skelly Unit 936		Facility Type	Producing Well

Surface Owner: Federal	Mineral Owner	Lease No. NM-98122
------------------------	---------------	--------------------

LOCATION OF RELEASE-API # 30-015-32595

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	21	17.0S	31E					Eddy

NATURE OF RELEASE

Type of Release	Crude Oil and produced Water Spill	Volume of Release	8.6bbls fluid	Volume Recovered	
Source of Release	Flow Line	Date and Hour of Occurrence	01/24/12 10:45	Date and Hour of Discovery	01/24/12 11:00
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mr. Leking via voicemail			
By Whom?	David Pagano				
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.*


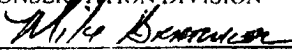
Describe Cause of Problem and Remedial Action Taken.*

It appears someone drove around wellhead and snagged out poly gas line, causing 8.6bbl fluid spill, mostly oil with a small amount of produced water. Chemical rep notified pumper of spill to land at 10:45 and pumper immediately drove to well and shut well in to contain release. Well shut in at approx 11:00AM.

Describe Area Affected and Cleanup Action Taken.*

Approx 8.6bbls of fluid mostly oil spilled on pad and worked its way to the road as well as foot wide path that ran into the pasture. Vacuum truck vacuumed up standing liquid on pad and road. Chevron has received Archeological/wildlife clearance from BLM. Backhoe will excavate contaminated soil on pad and road and contaminated soil will be taken offsite for disposal. Spray off of pad into the pasture will be remediated by knocking off fluids from vegetation using biodegradable soap and then we are looking at using micro blaze to remediated contaminated soil. Surface sample will be taken tomorrow to determine level of chlorides in order to evaluate potential effectiveness of micro blaze for pasture/off pad remediation.

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: David Pagano	Signed By 	
Title: Health & Environmental Specialist	Approved by District Supervisor:	
Date: 01/25/12	Approval Date: FEB 13 2012	Expiration Date:
Phone: 505-787-9816	Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

Remediation per OCD Rules &
Guidelines. SUBMIT REMEDIATION
PROPOSAL NOT LATER THAN:

3/13/2012

2RP-1010