

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 1 Copy to appropriate District Office in  
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

**0AB1534439159** **OPERATOR** ☒ Initial Report ☐ Final Report

|  |                                   |
|--|-----------------------------------|
| Name of Company <b>Key Energy Services, LLC</b> <b>19797</b>       | Contact <b>Bobby Sisson</b>       |
| Address <b>1301 McKinney Street, Suite 1800, Houston, TX 77010</b> | Telephone No. <b>806-401-4349</b> |
| Facility Name <b>BKE SWD</b>                                       | Facility Type <b>SWD</b>          |

|                              |               |                             |
|------------------------------|---------------|-----------------------------|
| Surface Owner <b>Private</b> | Mineral Owner | API No. <b>30-015-23493</b> |
|------------------------------|---------------|-----------------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| H           | 13      | 23S      | 27E   | 2310          | North Line       | 860           | East Line      | Eddy   |


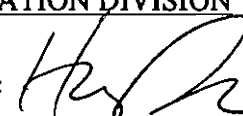
Latitude 32° 18' 21.46" N Longitude 104° 8' 14.96" W

NATURE OF RELEASE

|   |  |  |
|---|--|--|
| Type of Release <b>Produced Water</b>   | Volume of Release <b>5 bbl</b>                                     | Volume Recovered <b>5 bbl</b>                        |
| Source of Release: <b>Valve</b>   | Date and Hour of Occurrence<br><b>11/21/2015 0800</b>              | Date and Hour of Discovery<br><b>01/24/2015 0800</b> |
| Was Immediate Notice Given?<br><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required                                  | If YES, To Whom?<br><b>Not applicable</b>                          |  |
| By Whom?  | Date and Hour  |  |
| Was a Watercourse Reached?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   | If YES, Volume Impacting the Watercourse.<br><b>Not applicable</b> |  |
| If a Watercourse was Impacted, Describe Fully.*<br><b>Not applicable.</b>   |  |  |
| Describe Cause of Problem and Remedial Action Taken.*<br><b>Leaking Valve, immediately repaired and picked up fluid out of containment and put it back into disposal.</b> |  |  |
| Describe Area Affected and Cleanup Action Taken.*   |  |  |

NM OIL CONSERVATION  
ARTESIA DISTRICT  
DEC 07 2015  
RECEIVED

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: <b>Bobby S. Sisson</b>   |                            | Approved by Environmental Specialist:  |                             |
| Title: <b>Area Director</b>  |                            | Approval Date: <b>12/10/15</b>  | Expiration Date: <b>N/A</b> |
| E-mail Address: <b>bsisson@keyenergy.com</b>   |                            | Conditions of Approval:<br><b>Remediation per O.C.D. Rules &amp; Guidelines</b> <input type="checkbox"/>                    |                             |
| Date: <b>12-7-15</b>   | Phone: <b>806-437-3019</b> | <b>SUBMIT REMEDIATION PROPOSAL NO</b>   |                             |

\* Attach Additional Sheets If Necessary

LATER THAN: 11/15/16

2RP-3435