

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 Key Energy Services	Contact Bobby Sisson
Address 1301 McKinney St. Ste 1800. Houston TX 77010	Telephone No. 806-401-4349
Facility Name Christmas SWD	Facility Type Class II Injection well - SWD

Surface Owner Millard Deck Testamentary Trust	Mineral Owner Millard Deck Testamentary	API No. 30-025-10500
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LOCATION OF RELEASE

Unit Letter B	Section 28	Township 22S	Range 37E	Feet from the 330	North/South Line N	Feet from the 2310	East/West Line E	County Lea
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Latitude 32.44234 Longitude -103.177

NATURE OF RELEASE

Type of Release Produced water	Volume of Release 100 BBLS	Volume Recovered BBLS
Source of Release Gunbarrel Tank	Date and Hour of Occurrence 02/01/16 8:15 am	Date and Hour of Discovery 02/01/16 8:15 am
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES. To Whom? Kellie Jones	
By Whom? Maren Coligan	Date and Hour 02/01/2016 9:25am	
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.*

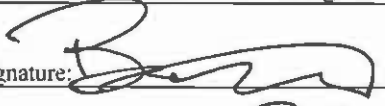
Describe Cause of Problem and Remedial Action Taken.*

Gun barrel tank running over. The water leg clogged up and over running the gun barrel tank. The gun barrel tank was shut down and cleaned out.

Describe Area Affected and Cleanup Action Taken.*

The spill was 100% contained inside the berm and the containment is lined. The spill was picked up immediately. Approximately 6 yards of contaminated soil were hauled off the property.
Haul tickets and site pictures attached.

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: 	<u>OIL CONSERVATION DIVISION</u>		
Printed Name: Bobby Sisson <i>Bobby Sisson 49396</i>	Approved by District Supervisor:		
Title: Area Director	Approval Date:	Expiration Date:	
E-mail Address: bsisson@keyenergy.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date:	Phone: 806 -401-4349		

* Attach Additional Sheets If Necessary



Christmas SWD – Release Notification 02/01/2016 – 1RP-4180 Photo Log

Before Clean-up



Pic 1. Gunbarrel Tank
at the moment of the released

After Clean-up



Pic 2. Side view tank battery after clean-up

After Clean-up



Pic 3. Tank battery internal view after clean-up

GANDY-MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 30353

LEASE OPERATOR/SHIPPER/COMPANY: Gandy Corp

LEASE NAME: Key CHRISTMAS SUB

TRANSPORTER COMPANY: Jamy TIME: 4:03 AM PM

DATE: 02-23-16 VEHICLE NO.: 215 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

OCD

☐ Other Material:

☒ Contaminated soil

☐ BS&W content:

☐ C-117 No.:

Description: dry crevices

COMPANY CONTACT:

VOLUME OF MATERIAL ☐ : YARDS 6 : CELL# LF : ☐

AS A CONDITION TO GANDY-MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. §6901, et seq., THE NM HEALTH AND SAFETY CODE, §361.001, et seq. AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED CONTAMINATED SOILS AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO GANDY-MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO GANDY-MARLEY, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: Dan M Johnson

FACILITY REPRESENTATIVE: J Tator

White - GMI

Canary - Shipper

Pink - GMI

Gold - Transporter

(Christina and
Dana) 79332