

NM2 - 13

**CLOSURE
APPROVAL**



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

May 16, 2007

Mr. Rodney Bailey
Environmental Specialist
MidContinent SBU
Chevron North America Exploration and Production Company
15 Smith Road
Midland, Texas 79705

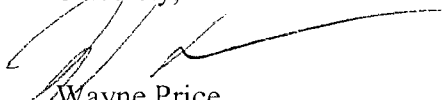
**RE: Closure Request for Chevron's Centralized Landfarm
Centralized Surface Waste Management Facility Permit NM-2-0013
NE/4 of Section 3, Township 24 South, Range 36 East, NMPM
Lea County, New Mexico**

Dear Mr. Bailey:

The New Mexico Oil Conservation Division (OCD) has reviewed Chevron's closure request, dated March 7, 2007, for the Chevron Centralized Landfarm Permit NM-2-0013 located in the NE/4 of Section 3, Township 24 South, Range 36 East, NMPM of Lea County, New Mexico. The February 21, 2007 inspection confirmed that Chevron's permitted landfarm never accepted any oilfield waste and that the construction of the landfarm was never initiated within the permitted area. The photographs provided in the request demonstrate that Chevron never commenced construction of the centralized landfarm. OCD hereby approves Chevron's closure request the Chevron Centralized Landfarm Permit NM-2-0013.

If you have any questions, regarding this matter, please do not hesitate to contact Brad A. Jones at (505) 476-3487 or brad.a.jones@state.nm.us.

Sincerely,



Wayne Price
Environmental Bureau Chief

LWP/baj

cc: OCD District I Office, Hobbs
Mark Larsen, Larsen & Associates, Inc., Midland, Texas 79710

March 7, 2007

VIA CERTIFIED MAIL

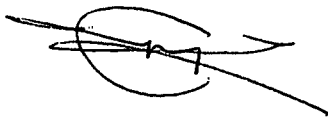
Mr. Wayne Price
Environmental Bureau Chief
State of New Mexico – Department of Natural Resources
Oil Conservation Division – Environmental Bureau
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Closure Request, Surface Waste Management Facility NM-02-0013, Chevron USA, Inc., NE/4, Section 3, Township 24 South, Range 36 East, Lea County, New Mexico

Dear Mr. Price:

This closure request is submitted to the New Mexico Oil Conservation Division (NMOCD) on behalf of Chevron USA Inc. (Chevron) by Larson and Associates, Inc. (LA), its consultant, for surface waste management facility (NM-02-013). No waste has ever been placed in the facility and photographs are attached. Please contact Rodney Bailey with Chevron at (432) 687-7123 or email bailerg@chevron.com. I may be reached with questions at (432) 687-0901 or email mark@laenvironmental.com.

Sincerely,
Larson and Associates, Inc.



Mark J. Larson, P.G., C.P.G., C.G.W.P.
Sr. Project Manager / President

Encl.

cc: Rodney G. Bailey/Chevron
Larry Johnson/NMOCD – District 1

2007 MAR 14 PM 4:03

CHEVRON U.S.A., INC.
CHEVRON SECTION 3 LAND FARM



1. Chevron USA Inc. Land Farm,
NE/4, Section 3, Township 24 South,
Range 36 East - Looking North from
Access Road



2. Chevron USA Inc. Land Farm,
NE/4, Section 3, Township 24 South,
Range 36 East - Looking West from
Access Road



3. Chevron USA Inc. Land Farm,
NE/4, Section 3, Township 24 South,
Range 36 East - Looking West from
Access Road

CHEVRON U.S.A., INC.
HARRY LEONARD YARD



4. Chevron USA Inc. Land Farm,
NE/4, Section 3, Township 24
South, Range 36 East - Looking
North from Access Road



5. Chevron USA Inc. Land Farm,
NE/4, Section 3, Township 24
South, Range 36 East - Looking
Northwest from Access Road