

AP - 33

STAGE 1 & 2 REPORTS

DATE:

1/20/2004

RECEIVED

2004

OIL CONSERVATION
DIVISION

ChevronTexaco

January 20, 2004

Mr. William C. Olsen
Hydrologist
Environmental Bureau

RE: Eldridge Ranch Site
Monument, New Mexico

Mr. Olsen;

In response to your letter dated January 7th of this year and our phone conversation the previous week. Local land lessee Paige McNeil contacted this office about a possible problem (small area of surface staining) with the Elbert Shipp NCT-A #1 in February 2001.

NMOCD field rep E.L. Gonzales agreed to meet Chevron Operations Supervisor Nathan Mouser and myself at the site on March 1, 2001. Mr. Gonzales said the NMOCD was investigating a property owner complaint about possible water contamination south of the site. Mr. Gonzales was present for the investigation and samples were taken under his direction. I've included a report provided by Chevron to the local NMOCD office reporting our findings that day. The report contains a summary of events, work performed, and a map of the vicinity, a site plan and the analytical results.

The site has always been a one well operation with a single gas well selling product through a sales meter on location. No hydrocarbons have ever been stored on site. The staining that was investigated was a historical blown-down/burn pit no longer in use. ChevronTexaco Production has no and has never had a pipeline in the immediate vicinity.

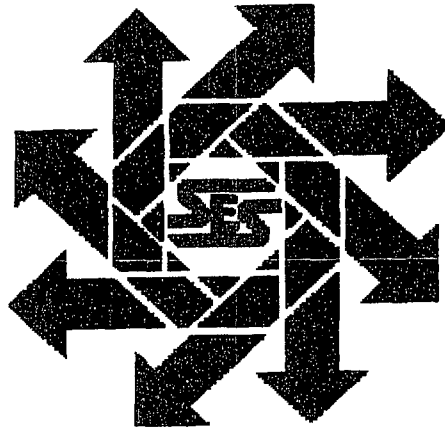


R. W. Massey
ChevronTexaco
NM Area HES Champion

cc: Chris Williams, OCD Hobbs District Office

**Chevron USA
Phase II Site Assessment
Elbert Shipp NCT-A #1
Section 21, Township 19S, Range 37E
Lea County, New Mexico**

March 1, 2001



Prepared For:

**Chevron USA
P.O. Box 1949
Eunice, New Mexico 88231**

Prepared By:

***Safety & Environmental Solutions, Inc.
703 E. Clinton Suite 102
Hobbs, New Mexico 88240
(505) 397-0510***

TABLE OF CONTENTS

Background 1
Work Performed 1
Summary 1
Exhibits & Appendices 2

I. Background

Safety & Environmental Solutions, Inc. (SESI) was engaged in March of 2001 to perform a Phase II site assessment of an old flare pit area on the lease known as Elbert Shipp NCT-A #1 which is located in Section 21, Township 19S, Range 37E in Lea County, New Mexico. (Appendix A – Vicinity Map). The scope of work for this assessment includes excavation with a backhoe for delineation of the suspected pit area to determine extent of possible contamination.

II. Work Performed

SESI began the excavating and sampling services for this project at 1:00 p.m. on March 1, 2001. E.L. Gonzales of the NMOCD (New Mexico Oil Conservation Division) has visited the site.

The total pit area measured 20 foot on all four sides. Excavation was performed at three different points. (See Site Plan). The first point of excavation was at the center of the pit area. Three samples were taken at this point. The first sample obtained was from surface to 6" and a field test was run for TPH (Total Petroleum Hydrocarbons), which read 2500ppm. The second sample was taken at 3' and field tested for TPH, which read 1030ppm. The third sample was taken at 4' and field tested for TPH, which read 153ppm. This sample was also preserved in an appropriate container and transported under chain of custody to Cardinal Laboratories of Hobbs, New Mexico for third party confirmation.

The second point of excavation was 30' east of the center of pit. A sample was taken from surface to 6" and field tested for TPH, which read 250ppm. The second sample was taken at 18" and the field test read 85ppm.

The third and final point of excavation was 30' south-southeast from the center of the pit. Two samples were obtained at this point. The first was from surface to 6" and the field test read 282ppm. The second sample was taken from 1.5-2' and the field test read 53ppm.

Summary

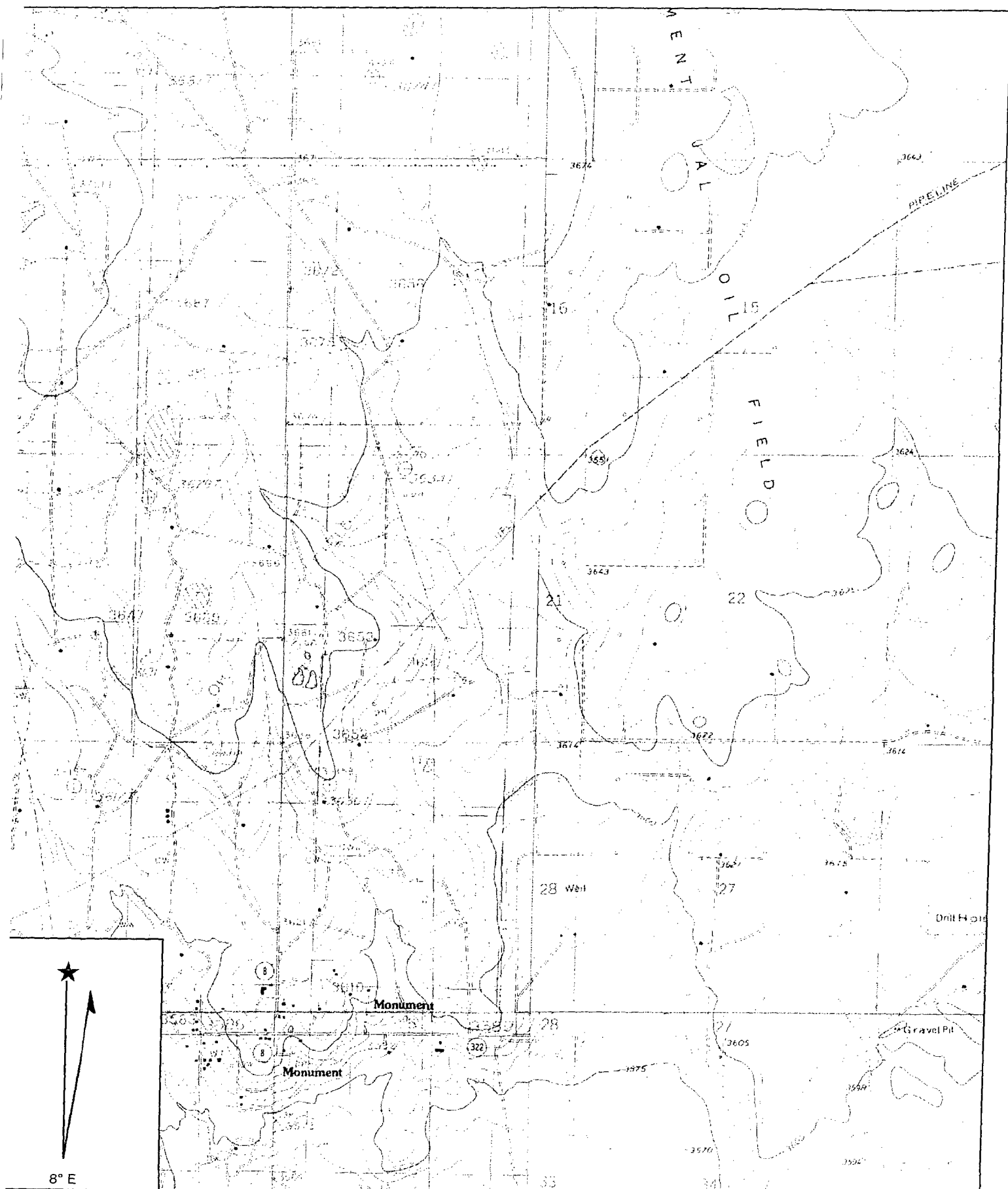
All field tests were performed using a Mega TPH Analyzer, serial #01196, which was calibrated on February 9, 2001. The results of the lab analysis as well as the field testing revealed no elevated TPH levels.

IV. Exhibits & Appendices

A-Vicinity Map
B-Site Plan
C-Analytical Results

Appendix A

Vicinity Map

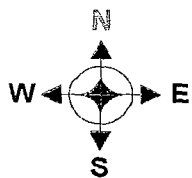


Name: MONUMENT NORTH
 Date: 11/14/2003
 Scale: 1 inch equals 2222 feet

Location: 032° 38' 43.9" N 103° 15' 11.7" W
 Caption: Chevron USA
 Elbert Shipp NCT-A #1
 S21, T19S, R37E
 Lea County, New Mexico

Appendix B

Site Plan



Old gas well

20'

Pit area

20'



Sample point #1

20'



Sample point #2

20'



Sample point #3

March 1, 2001

Not to scale

Chevron USA

Site Plan
Elbert Shipp NCT-A #1
Unit F Section 21, T19S, R37E

Safety & Environmental
Solutions, Inc.



Appendix C

Analytical Results



ARDINAL LABORATORIES

PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
SAFETY & ENVIRONMENTAL SOLUTIONS, INC.
ATTN: DEE WHATLEY
701 E. CLINTON, #103
HOBBS, NM 88240
FAX TO:


Receiving Date: 03/01/01
Reporting Date: 03/02/01
Project Owner: CHEVRON
Project Name: ELBERT SHIPP PIT
Project Location: ELBERT SHIPP NCT-A #1

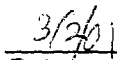
Sampling Date: 03/01/01
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: BC

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (C ₁₀ -C ₂₈) (mg/Kg)
------------	-----------	--	---

ANALYSIS DATE:	03/01/01	03/01/01
H5664-1 #1 CENTER 4'	<50	<50
Quality Control	732	744
True Value QC	800	800
% Recovery	91.6	93.0
Relative Percent Difference	8.2	2.1

METHOD: SW-846 8015 M


Chemist


Date

H5664.XLS

LEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

MINIMUM TOLERABLE AND ANALYSIS REQUEST

Page ____ of ____

Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476