

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

2413331
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

X Initial Report

Final Report

Name of Company Chevron Midcontinent LP	Contact Larry Ridenour	
Address HCR 60 Box 423 Lovington, N.M. 88260	Telephone No. 505-396-4414 X 102	
Facility Name Lovington Deep State	Facility Type Water transfer line	
Surface Owner State	Mineral Owner State of NM	Lease No. B-4704

LOCATION OF RELEASE

Unit Letter M	Section 5	Township 17S	Range 36E	Feet from the 1305	South Line	Feet from the 115	East Line	County Lea
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Latitude N 32 deg 51 min 47.53 sec Longitude W 103 deg 23 min 8.11 sec

NATURE OF RELEASE API #3002531451

Type of Release Produced water with some oil	Volume of Release 20 BW - 2BO	Volume Recovered 13 BW - 1 BO
Source of Release water transfer line	Date and Hour of Occurrence 10/2/07 ??	Date and Hour of Discovery 10/2/07 9:00 am
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Maxey Brown	
By Whom? Larry Ridenour	Date and Hour 10/2/2007 4:30 P.M.	
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.*

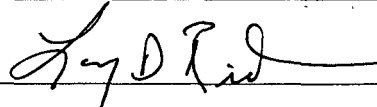

The location and API # given are for West Lovington Unit #86 which is the nearest well. The GPS coordinates are for the actual location of the spill. The spill is located approximately 2/10 mile north of WLU 86. The leak was from a water transfer line that conducts fluid from the Lovington Deep State tank battery to the West Lovington Unit injection station.

Chlorides 35,000

Describe Area Affected and Cleanup Action Taken.*

Fluid soaked in ground. 60' x 60' area around spill and then 8' x 150' area and 8' x 50' area where fluid traveled down ruts in road. Standing fluid was picked up with a vacuum truck. Area fenced to keep cattle out. Turned site over to Ocotillo Environmental for remediation. They performed emergency one call and have removed top approximately one foot of soil. They will do a survey of the contamination and submit a plan to the OCD for approval.

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: Larry Ridenour	Approved by District Environmental Engineer	
Title: Operations Representative	Approval Date: 10.9.07	Expiration Date: 12.10.07
E-mail Address: LRidenour@chevron.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 10/4/07	Phone: 396-4414 X 102	SUBMIT PLAN OR FINAL BY

RP# 162