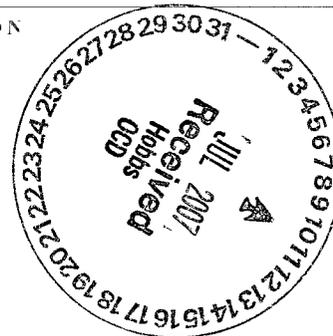




ENVIRONMENTAL PLUS, INC.
CONSULTING AND REMEDIAL CONSTRUCTION



9 July 2007

Mr. Larry Johnson
Environmental Engineer
New Mexico Oil Conservation Division
1625 North French Drive
Hobbs, New Mexico 88240

RE: Remediation Proposal
Chevron USA – Central Vacuum Unit (CVU) #47
UL-A NE ¼ of the NE ¼ Section 31, T 17 S, R 35 E
Latitude: 32° 47' 49.11"; Longitude: 103° 29' 26.32"
EPI Ref. #200060

AP# 30025 08532 0000

Dear Mr. Johnson:

On behalf of Chevron USA, Environmental Plus, Inc., (EPI) submits the following Remediation Proposal to supplement the Method of Closure as noted on the Initial NMOCD Form C-144 submitted circa 28 November 2005.

Site Background

The Site is located in UL-A NE ¼ of the NE ¼ of Section 31, T17S, R35E at an approximate elevation of 3,973 feet above mean sea level (amsl). The property is owned by the State of New Mexico and managed by the New Mexico State Land Office (NMSLO) A search for water wells was completed utilizing the New Mexico Office of the State Engineers website and a database maintained by the United States Geological Survey (USGS). One playa (surface water) exists within a 1,000 feet radius of the release site (reference *Figure 2*). Groundwater data taken from domestic and USGS water wells within a one (1) mile radius indicates an average water depth of approximately 87 feet below ground surface (bgs). Based on available information, it was determined the distance between impacted soil and groundwater is approximately 46 vertical feet. Utilizing this information, New Mexico Oil Conservation Division (NMOCD) Remedial Goals for this Site were determined as follows:

Parameter	Remedial Goal
Benzene	10 parts per million
BTEX	50 parts per million
TPH	100 parts per million

*Chloride and sulfate residuals may not be capable of impacting local Groundwater above NMWQCC Standard of 250 mg/L and 600 mg/L, respectively

ENVIRONMENTAL PLUS, INC.

RP#1483



Field Work

EPI mobilized at the site on 31 January 2006 and commenced stiffening drilling mud in the drill pit. After the drilling mud was sufficiently stiffened, the material was loaded and transported to Sundance Services, Inc., for disposal. After disposal of the drilling mud was complete, excavation of the drill pit sidewalls and bottom was undertaken in areas where chloride concentrations exceeded remedial threshold goals. From 31 January through 24 February 2006, approximately 2,622 cubic yards of drilling mud and impacted soil were transported to the disposal facility. On 9 and 10 of February 2006, Straub Corporation advanced two (2) soil borings in the bottom of the drill pit to determine vertical extent of impacted soil. Soil Boring SB-1 was advanced to a depth of 51-feet below ground surface (bgs) and SB-2 a depth of 41-feet bgs. Impacted soil above remedial threshold goals existed to 41-feet bgs in SB-1 and 26-feet bgs in SB-2 (reference *Figure 4* for location and *Figure 5* for analytical data). On 15 February 2006 eight (8) soil samples were collected from identical depths, but at various locales from sidewalls of the drill pit excavation. Laboratory analytical results confirmed existence of chloride impacted soil above remedial threshold goals in sidewalls (reference *Figure 6*). Despite knowledge this condition existed, excavation activities were terminated on 15 February 2006.

Analytical Data

Laboratory analytical tests were conducted for BTEX and TPH on three (3) of the eight (8) sidewall and five (5) of the sixteen (16) soil boring soil samples. Analytical data confirmed BTEX and TPH concentrations were either below remedial threshold goals or non detectable at or above laboratory analytical method detection limits (MDL) for eight (8) soil samples. Chloride concentrations on soil samples collected from the sidewalls ranged from 144 mg/Kg (NSWW-3) to 29,191 mg/Kg (ESWN-3). Chloride concentrations above remedial threshold goal of 250 mg/Kg existed in seven (7) soil samples at equal depths (reference *Figure 6*). Chloride concentrations in SB-1 ranged from 512 mg/Kg (20-21 feet bgs) to 64 mg/Kg (50-51 feet bgs). Chloride concentrations in SB-2 ranged from 10,397 mg/Kg (10-11 feet bgs) to 64 mg/Kg (35-36 feet bgs) (reference *Figure 5*).

Site Remedial Proposal

Based on field analyses and laboratory analytical results, soils within the drill pit bottom and sidewalls are chloride impacted. However, residual chloride concentrations diminish with vertical depth limiting the potential for contaminating groundwater above New Mexico Water Quality Control Commission Ground Water Standards (NMWQCC) of 250 mg/L (reference *Table 5*). This theory is further enhanced by noting distance between groundwater (~87-feet bgs) and the lowest point of chloride impacted soil (41-feet bgs) is approximately 46 vertical feet. With the chloride impacts confined to a small area, natural attenuation will deplete concentrations significantly during vertical migration. In view of this, it is recommended impacted soil remaining in situ in the drill pit bottom be removed to a minimum depth of 11-feet bgs in the vicinity of SB-2. While not eliminating all chloride impacts in the soil, it removes the most elevated concentration of 10,397 mg/Kg. Primary goal is excavation of sidewalls until chloride concentrations are below 250 mg/Kg, if possible. However, certain limitations must be imposed as to sidewall width excavations as excessive excavation may prove to be neither performance nor cost effective. EPI proposes a maximum width of two (2) horizontal feet be initiated with field analyses of soil samples for chloride concentrations. Should chloride impacts indicate a rapid decrease in concentration,



excavation will continue until remedial threshold goals are met. If the sidewalls indicate protracted excavation is needed to achieve remedial threshold goals, the drill pit may become a "risk based closure" candidate. EPI believes sidewall excavation starting counter clockwise at some point between SSWE-3 and SSWW-3 and ending at some point between NSWE-3 and ESWN-3 can be accomplished within the two (2) horizontal feet criteria. However, continuing in the counter clockwise mode, the remaining section between the two (2) cited terminal points may not achieve the same results. This sector may require additional excavation beyond the proposed two (2) horizontal feet width. Once the proposed width has been excavated, chloride concentrations will dictate if additional excavation is warranted to remove impacted soil or should the other course of action be considered.

In order to provide additional safety measures, EPI recommends installation of a 20-mil thick polyethylene liner in the bottom of the excavation. The polyethylene barrier will be sandwiched between two (2) foot layers of cushion sand or clean topsoil for protection. After installation of the polyethylene liner and protective cushions, the excavation is to be backfilled with caliche to original pad elevation. Disturbed areas will be contoured to allow natural drainage and road traffic.

Should you have any technical questions or concerns, please contact me at (505) 394-3481 or via email at dduncan@envplus.net. Upon approval, EPI will initiate remedial work of the release area. Official correspondence should be submitted to Mr. James Duke, Chevron USA, at (505) 394-1201 (office), (505) 390-7225 (cellular) or via email at lduk@chevron.com.

Sincerely,

ENVIRONMENTAL PLUS, INC.

David P. Duncan
Civil Engineer

Cc: Jim Duke, New Mexico Construction Representative, Chevron USA
Tejay Simpson, Operations Superintendent, Chevron USA
Larry Ridenour, Operations Representative, Chevron USA
Thaddeus Kostrubala, Environmental Engineer, NMSLO-Santa Fe, NM
Myra Meyers, District Resources Manager, NMSLO – Hobbs, NM

Encl: Figure 1 – Area Map
Figure 2 – Site Location Map
Figure 3 – Site Map
Figure 4 – Groundwater Gradient Map
Figure 5 – Soil Boring/Chloride Analytical Map
Figure 6 – Soil Sample/Chloride Analytical Map
Table 1 – Well Data
Table 2- Summary of Excavation Soil Sample Laboratory Analytical Results



Table 3 – Summary of Soil Boring Field Analyses and Laboratory Analytical Results

Attachment I – Site Photographs

Attachment II – Laboratory Analytical Results and Chain-of-Custody Form

Attachment III – Soil Boring Logs

Attachment IV – Copy of Initial C-144

ENCLOSURES

FIGURES

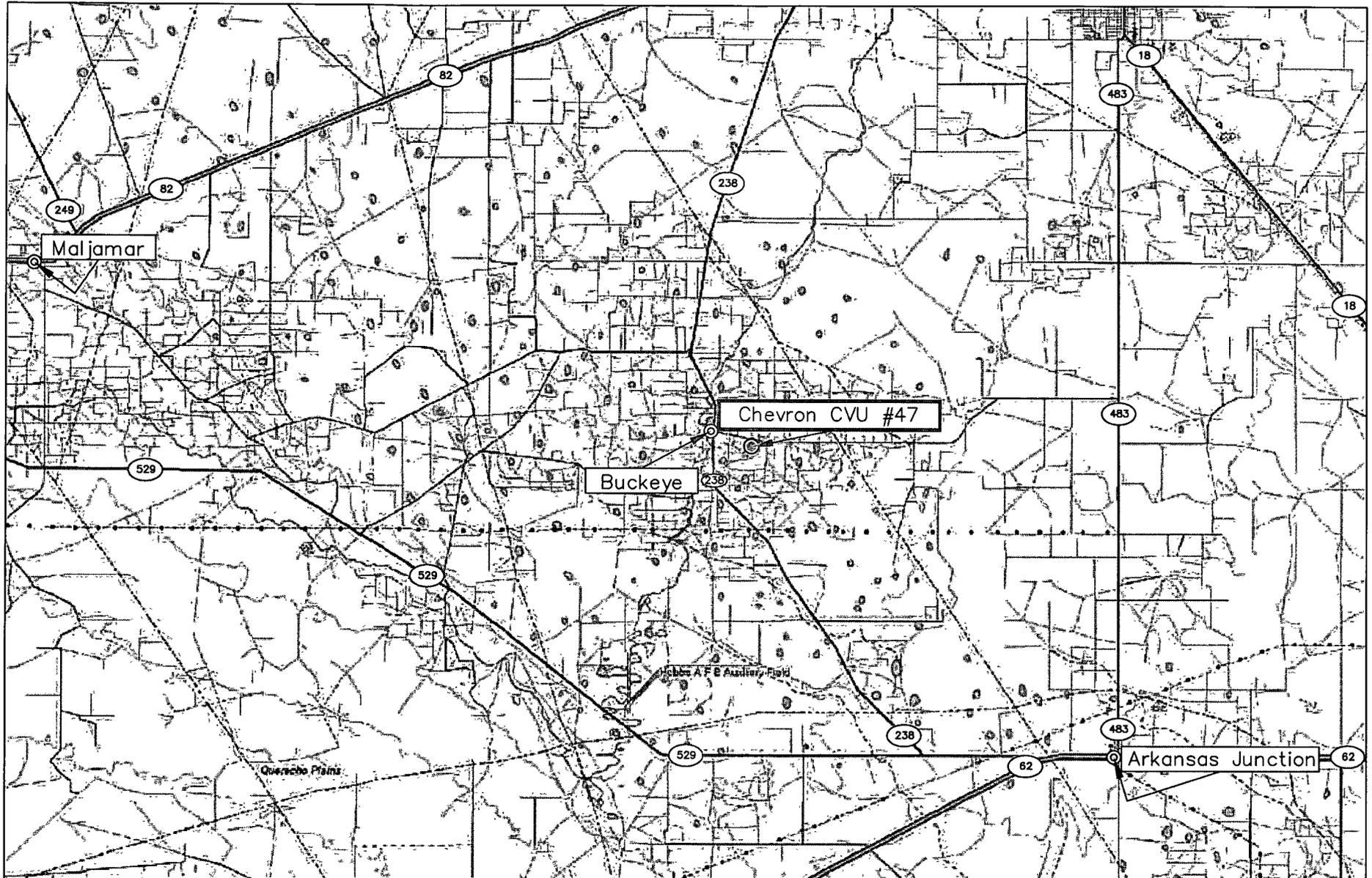
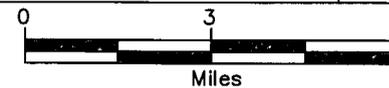


Figure 1
 Area: Map
 Chevron Corporation
 CVU #47

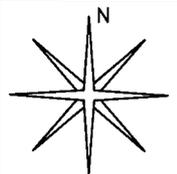
Lea County, New Mexico
 NE 1/4 of the NE 1/4, Sec. 31, T17S, R35E
 N 32° 47' 49.11" W 103° 29' 26.32"
 Elevation: 3,973 feet amsl

DWG By: Daniel Dominguez
 December 2005

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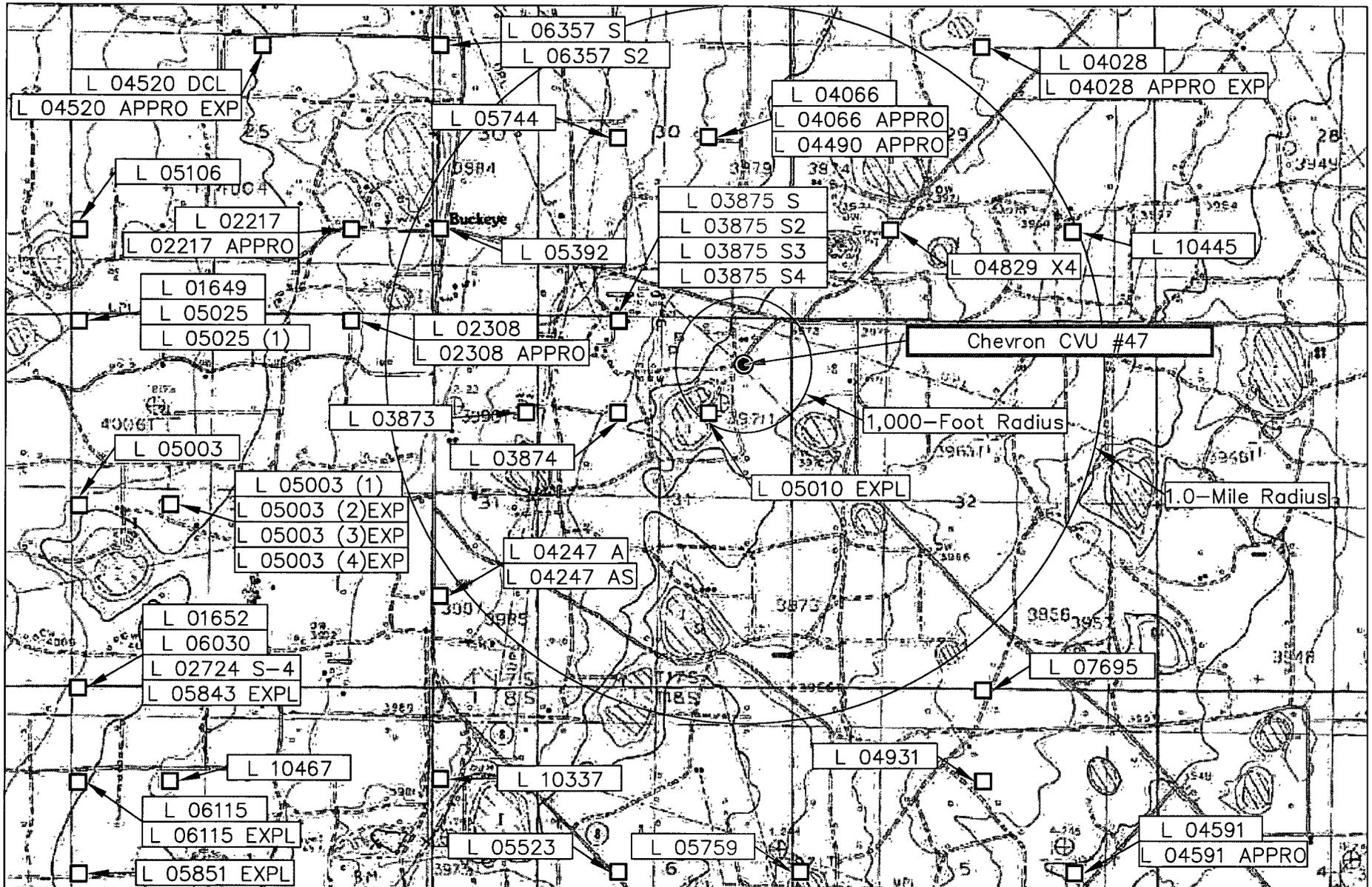
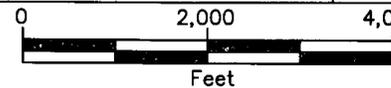


Figure 2
Site Location Map
Chevron Corporation
CVU #47

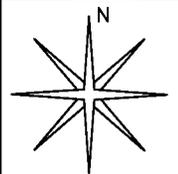
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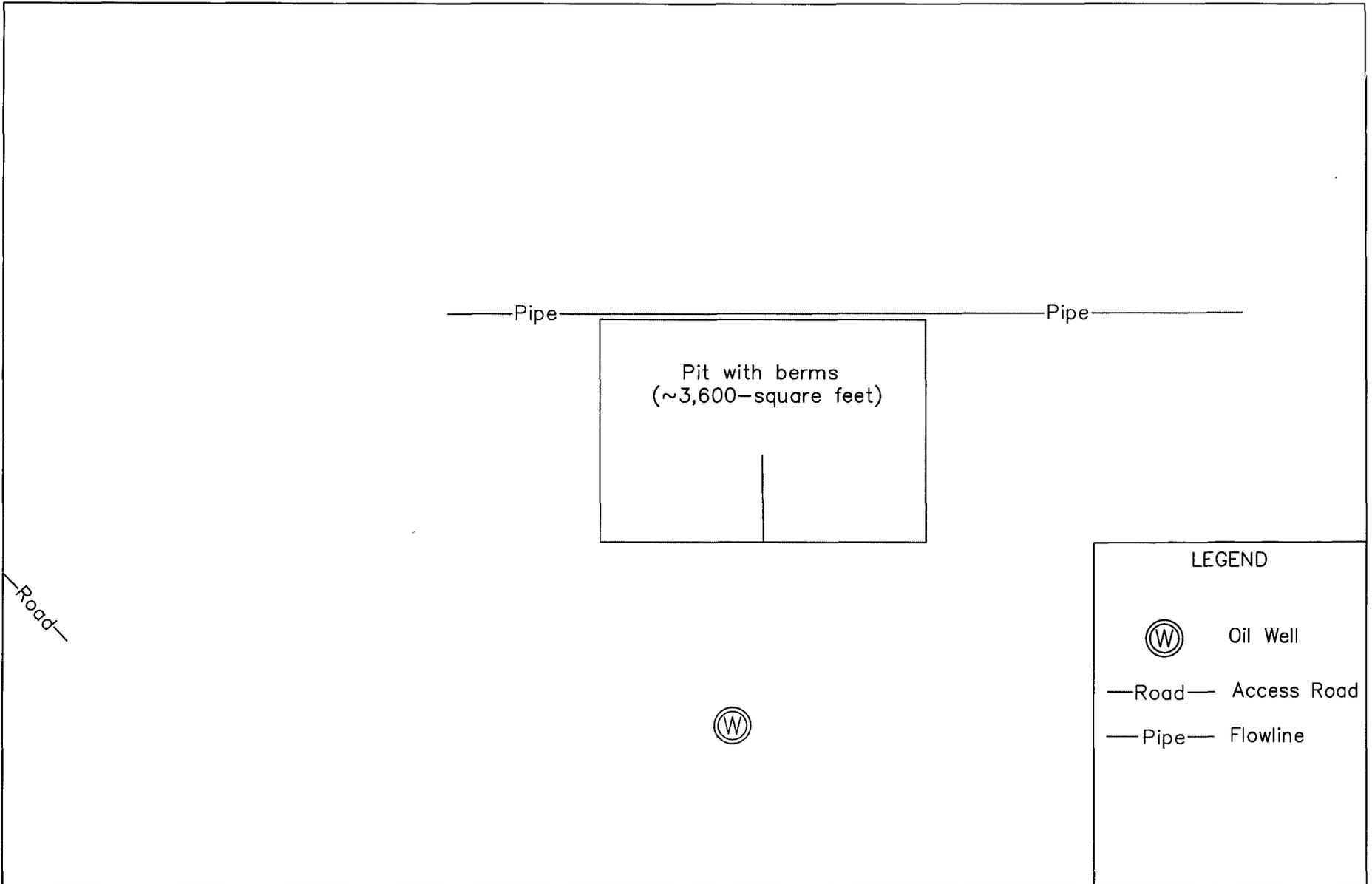
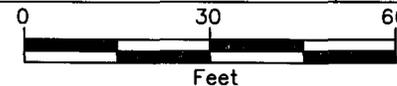


Figure 3
 Site Map
 Chevron Corporation
 CVU #47

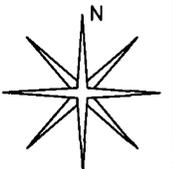
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 December 2005

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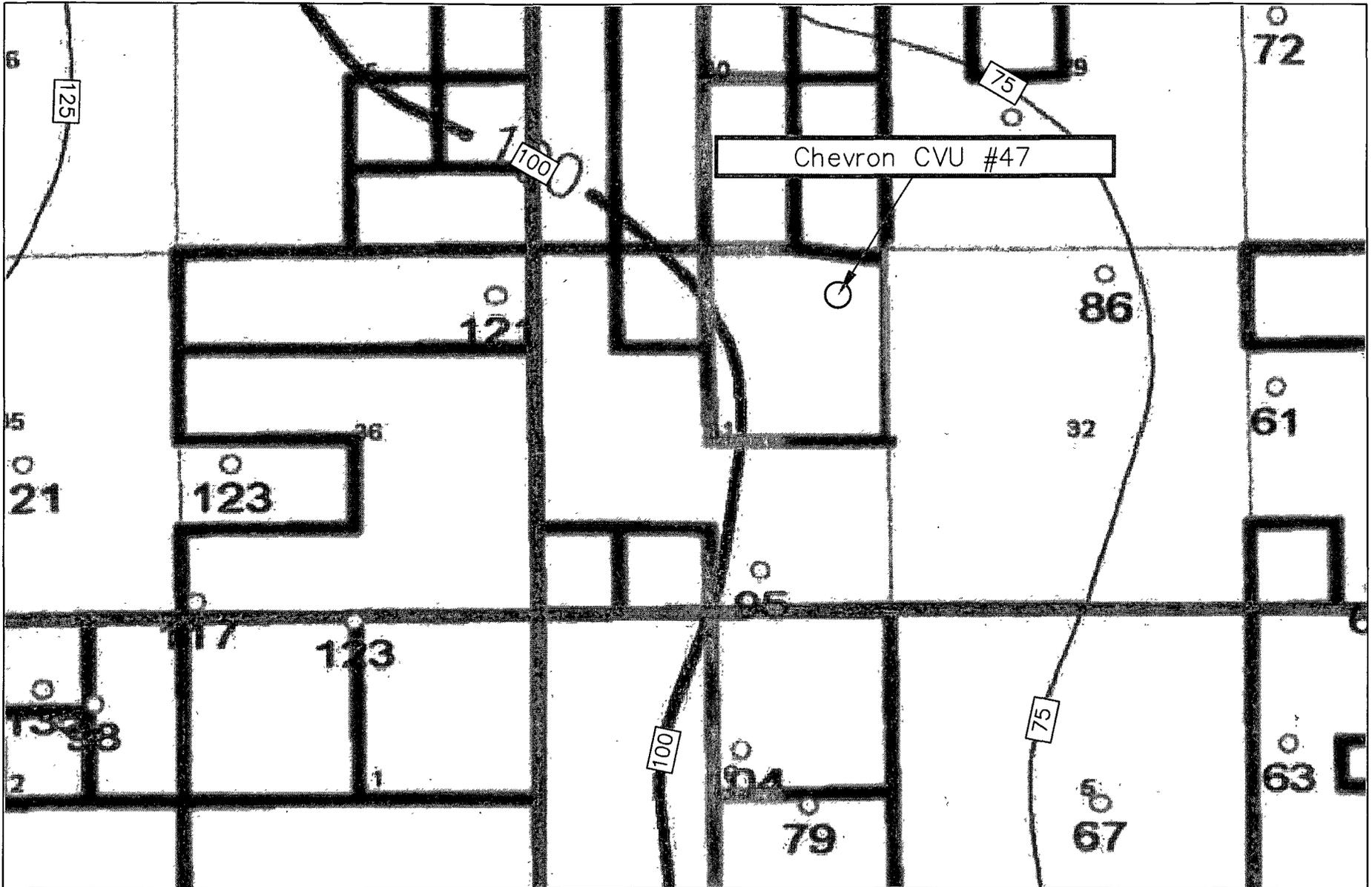
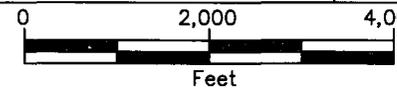


Figure 4
 Groundwater Gradient Map
 Chevron Corporation
 CVU #47

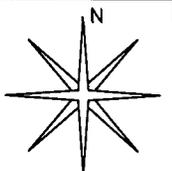
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 December 2005

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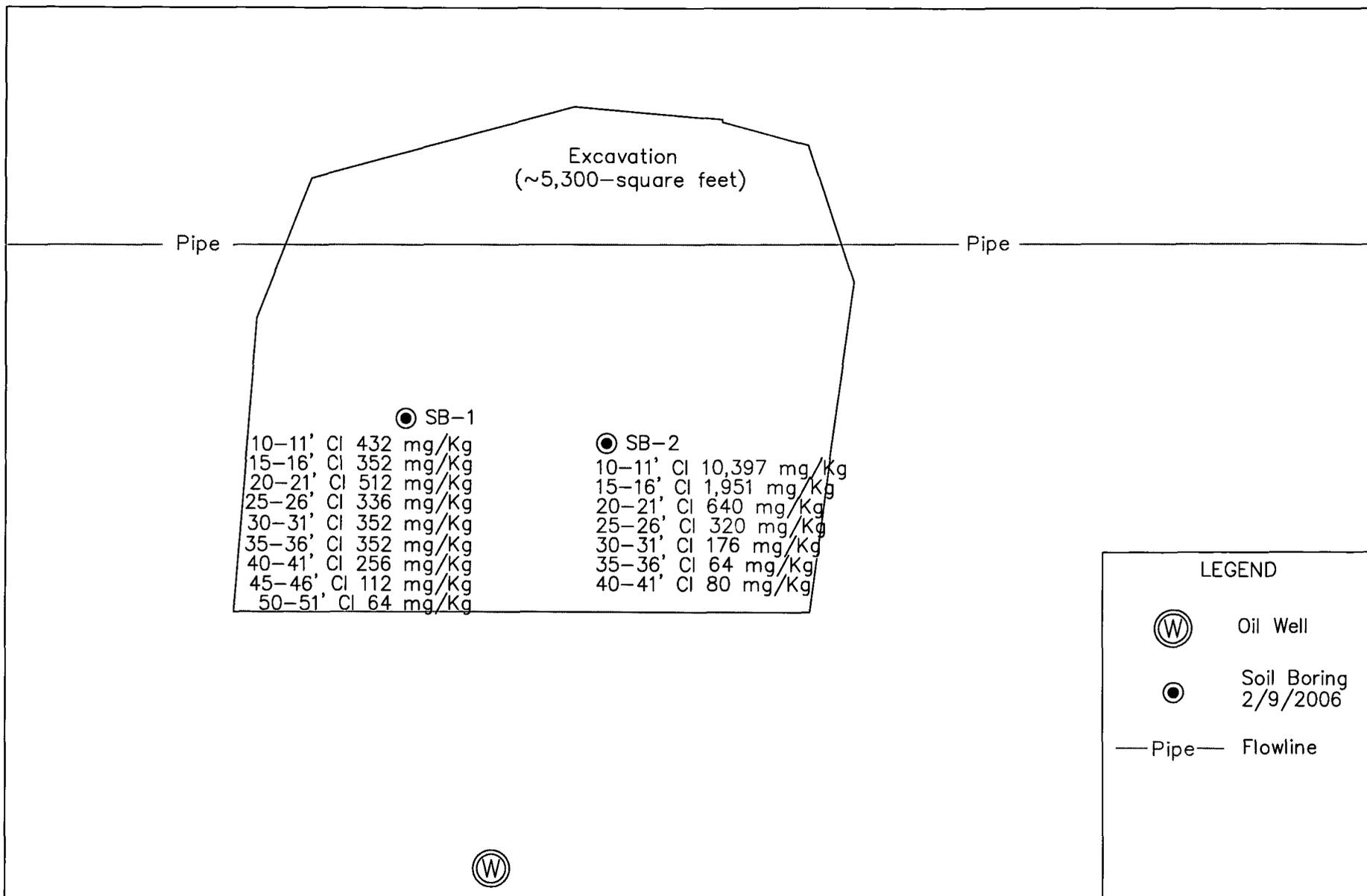


Figure 5
Soil Boring/Chloride Analytical Map
Chevron Corporation
CVU #47

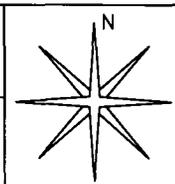
Lea County, New Mexico
NE 1/4 of the NE 1/4, Sec. 31, T17S, R35E
N 32°47' 49.11" W 103°29' 26.32"
Elevation: 3,973 feet amsl

DWG By: Daniel Dominguez
January 2007

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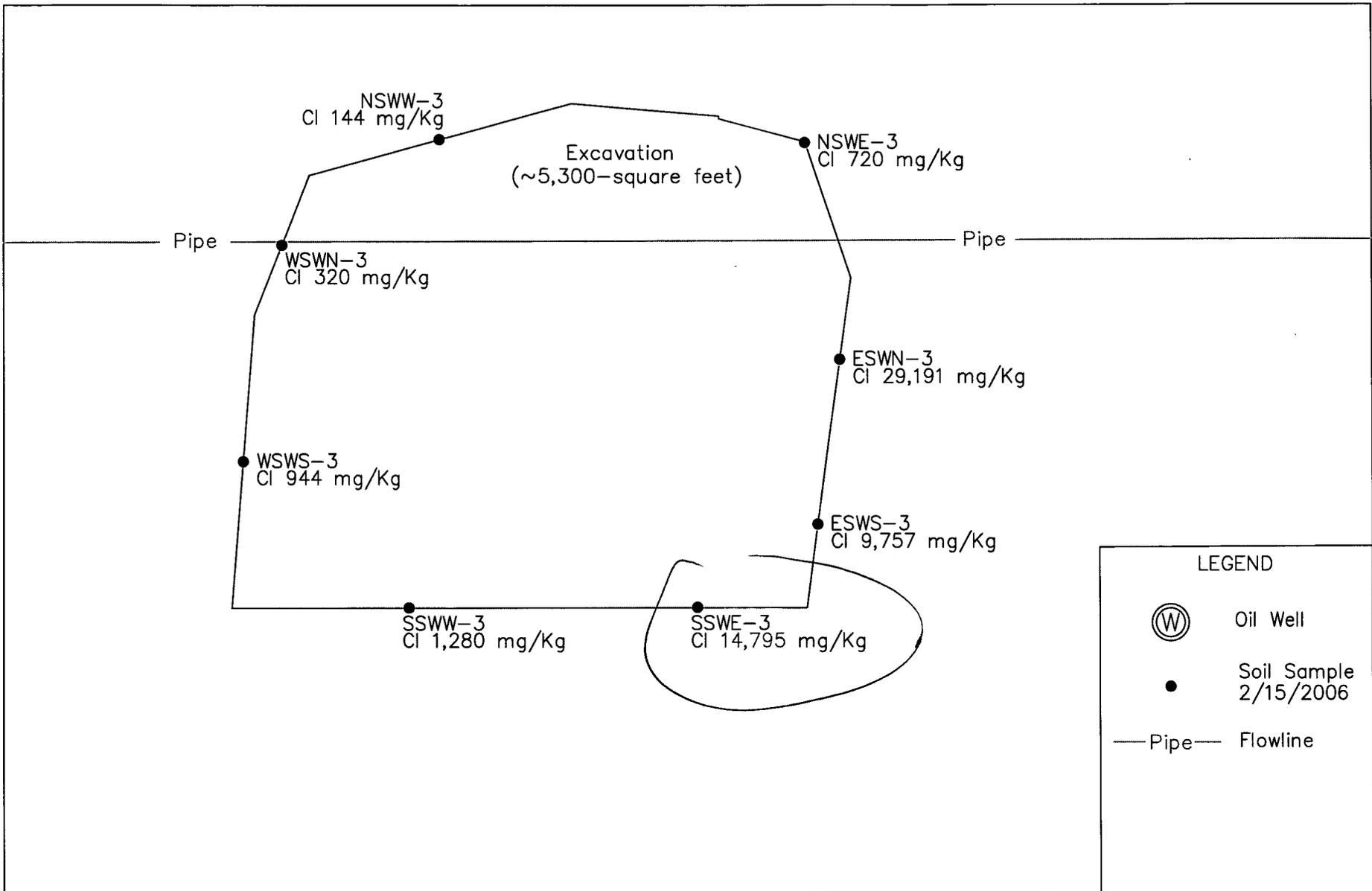
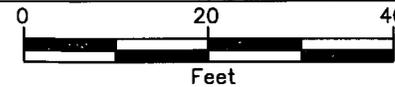


Figure 6
Soil Sample/Chloride Analytical Map
Chevron Corporation
CVU #47

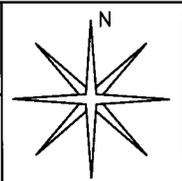
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N 32°47' 49.11" W 103°29' 26.32"
Elevation: 3,973 feet amsl

DWG By: Daniel Dominguez
January 2007

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1 of 1



TABLES

TABLE 1
WELL INFORMATION REPORT*
Chevron CVU #47 - (Ref #200060)

Well Number	Diversion ^A	Owner	Use	Twsp	Rng	Sec q q q	Latitude	Longitude	Date Measured	Surface Elevation ^B	Depth to Water (ft bgs)
L 03873	31 68	PHILLIPS PETROLEUM CO	IND	17S	35E	31 1 2 3	N32° 47' 42.18"	W103° 30' 3.44"		3,986	
L 03874	23.67	PHILLIPS PETROLEUM CORP.	IND	17S	35E	31 2 1 3	N32° 47' 42.18"	W103° 29' 47.86"		3,983	
L 04247 A	1400	INTREPID MINING NM LLC	IND	17S	35E	31 3 1 3	N32° 47' 16 01"	W103° 30' 18.04"	25-Jan-74	3,993	95
L 04247 AS				17S	35E	31 3 1 2	N32° 47' 16 01"	W103° 30' 18.04"	09-Jul-90	3,993	117
L 05010 EXP	0	NOBLE DRILLING CO.	PRO	17S	35E	31 2 2	N32° 47' 42.15"	W103° 29' 32.29"		3,976	
L 04028	3	ZAPATA PETROLEUM CORPORATION	PRO	17S	35E	29 2 1	N32° 48' 34.50"	W103° 28' 45 96"		3,973	
L 04028 APPRO EXP				17S	35E	29 2 1	N32° 48' 34 50"	W103° 28' 45.96"		3,973	
L 04829 X4	317	PHILLIPS PETROLEUM COMPANY	OIL	17S	35E	29 3 2	N32° 48' 8 33"	W103° 29' 1.36"		3,976	
L 10445	0	GILES LEE	STK	17S	35E	29 4 2 4	N32° 48' 8.14"	W103° 28' 30 39"		3,967	
L 03875 S	0	DUKE ENERGY FIELD SERVICES, LP	POL	17S	35E	30 4 3 3	N32° 47' 55 30"	W103° 29' 47.88"		3,986	
L 03875 S2	0	DUKE ENERGY FIELD SERVICES, LP	POL	17S	35E	30 4 3 3	N32° 47' 55.30"	W103° 29' 47 88"		3,986	
L 03875 S3	0	DUKE ENERGY FIELD SERVICES, LP	POL	17S	35E	30 4 3 4	N32° 47' 55 30"	W103° 29' 47.88"		3,986	
L 03875 S4	0	DUKE ENERGY FIELD SERVICES, LP	POL	17S	35E	30 4 3 3	N32° 47' 55.30"	W103° 29' 47 88"		3,986	
L 04066	3	GACKLE DRILLING COMPANY	PRO	17S	35E	30 2 4	N32° 48' 21 55"	W103° 29' 32 41"	03-Fcb-59	3,987	70
L 04066 APPRO				17S	35E	30 2 4	N32° 48' 21.55"	W103° 29' 32.41"	03-Feb-59	3,987	70
L 04490 APPRO	0	MORAN OIL PRODUCING & DRILLING	PRO	17S	35E	30 2 4	N32° 48' 21 55"	W103° 29' 32.41"	25-Jul-60	3,986	70
L 05392	0	INC. A.W. THOMPSON	PRO	17S	35E	30 3 1	N32° 48' 8.38"	W103° 30' 18.09"	16-May-64	3,996	80
L 05744	0	TRI-SERVICE DRILLING COMPANY	PRO	17S	35E	30 2 3 3	N32° 48' 21.53"	W103° 29' 47 94"		3,993	75
L 06357 S	207 8	REPUBLIC FACTORS INC. OF MIDLA	COM	17S	35E	30 1 1 3	N32° 48' 34.57"	W103° 30' 18.13"		3,996	
L 06357 S2				17S	35E	30 1 1 3	N32° 48' 34.57"	W103° 30' 18 13"	20-Jun-89	3,996	130
L 07695	480	PHILLIPS PETROLEUM COMPANY	OIL	17S	35E	32 4 3	N32° 47' 2 60"	W103° 28' 45.63"		3,963	
L 01649	0	CROSS LABORATORIES, INC.	DOM	17S	34E	25	N32° 47' 55 05"	W103° 31' 19.88"		4,012	
L 02217	3	FIRST BAPTIST CHURCH	DOM	17S	34E	25 4 2	N32° 48' 8.32"	W103° 30' 33 54"	10-Jun-53	3,999	75
L 02217 APPRO				17S	34E	25 4 2	N32° 48' 8 32"	W103° 30' 33.54"	10-Jun-53	3,999	75
L 02308	3	CHURCH OF CHRIST	DOM	17S	34E	25 4 4	N32° 47' 55.22"	W103° 30' 33 52"	12-Aug-53	3,999	76
L 02308 APPRO				17S	34E	25 4 4	N32° 47' 55.22"	W103° 30' 33 52"	12-Aug-53	3,999	76
L 04520 APPRO EXP	0	SOCONY MOBIL OIL COMPANY INC.	IND	17S	34E	25 2 1 3	N32° 48' 34 45"	W103° 30' 49.00"		4,006	
L 04520 DCL				17S	34E	25 2 1 3	N32° 48' 34 45"	W103° 30' 49.00"		4,006	
L 05025	0	TRI-SERVICE DRILLING COMPANY	PRO	17S	34E	25 3 3	N32° 47' 55 05"	W103° 31' 19.88"	21-Dec-62	4,012	95
L 05025 (1)	0	TRI-SERVICE DRILLING COMPANY	PRO	17S	34E	25 3 3	N32° 47' 55 05"	W103° 31' 19.88"		4,012	
L 05106	0	NOBLE DRILLING COMPANY	PRO	17S	34E	25 3 1	N32° 48' 8.14"	W103° 31' 19 88"	15-Apr-63	4,011	95
L 01652	0	CROSS LABORATORIES, INC.	DOM	17S	34E	36	N32° 47' 2 72"	W103° 31' 19.90"		4,009	
L 02724 S-4	2410	INTREPID MINING NM LLC	IND	17S	34E	36 3 3 3	N32° 47' 2 72"	W103° 31' 19 90"		4,009	
L 05003	0	BRAHANEY DRILLING CO	PRO	17S	34E	36 1	N32° 47' 28.89"	W103° 31' 19 89"	28-Nov-62	4,008	105
L 05003 (1)	0	BRAHANEY DRILLING COMPANY	PRO	17S	34E	36 1 4	N32° 47' 28.94"	W103° 31' 4.43"		4,006	
L 05003 (2) EXP	0	BRAHANEY DRILLING COMPANY	PRO	17S	34E	36 1 4	N32° 47' 28.94"	W103° 31' 4.43"		4,006	
L 05003 (3) EXP	0	BRAHANEY DRILLING COMPANY	PRO	17S	34E	36 1 4	N32° 47' 28 94"	W103° 31' 4 43"		4,006	
L 05003 (4) EXP	0	BRAHANEY DRILLING COMPANY	PRO	17S	34E	36 1 4	N32° 47' 28.94"	W103° 31' 4 43"		4,006	
L 05843 EXPL	0	KERMAC POTASH COMPANY	EXP	17S	34E	36 3	N32° 47' 2.72"	W103° 31' 19 90"	26-Jan-66	4,009	
L 06030	3	INC TEXACO	PRO	17S	34E	36 3 3	N32° 47' 2.72"	W103° 31' 19 90"	05-Oct-66	4,009	102
L 05851 EXPL	0	KERMAC POTASH COMPANY	EXP	18S	34E	01 1	N32° 46' 36.30"	W103° 31' 19.69"	28-Jan-66	4,002	
L 06115	3	TEXACO INC	EXP	18S	34E	01 1 1 1	N32° 46' 49 35"	W103° 31' 19 80"	10-Mar-67	4,006	110
L 06115 EXPL				18S	34E	01 1 1 1	N32° 46' 49.35"	W103° 31' 19.80"	10-Mar-67	4,006	110

TABLE 1
WELL INFORMATION REPORT*
Chevron CVU #47 - (Ref #200060)

Well Number	Diversion ^A	Owner	Use	Twsp	Rng	Sec q q q	Latitude	Longitude	Date Measured	Surface Elevation ^B	Depth to Water (ft bgs)
L 10467	3	TEXACO E & P	SAN	18S	34E	01 1 2 2	N32° 46' 49.47"	W103° 31' 4.35"	01-Feb-95	3,999	115
L 04591	3	SHARP DRILLING COMPANY	PRO	18S	35E	05 2 4	N32° 46' 36.43"	W103° 28' 30 11"	01-Feb-61	3,954	75
L 04591 APPRO				18S	35E	05 2 4	N32° 46' 36.43"	W103° 28' 30 11"	01-Feb-61	3,954	75
L 04931	0	MOBIL OIL CORPORATION	SRO	18S	35E	05 2 1	N32° 46' 49.55"	W103° 28' 45 61"	07-Mar-81	3,963	70
L 05759	0	PHILLIPS PET CO.	PRO	18S	35E	05 1 3	N32° 46' 36.60"	W103° 29' 16 56"		3,970	
L 05523	0	MARCUM DRILLING COMPANY	PRO	18S	35E	06 2 3	N32° 46' 36 67"	W103° 29' 47 72"	07-Jan-65	3,983	85
L 10337	0	MARATHON OIL COMPANY	PRO	18S	35E	06 1 1 4	N32° 46' 49.83"	W103° 30' 17.99"	07-Jul-93	3,986	110
L 01644	0	CROSS LABORATORIES INC.	DOM	18S	34E	1 1 1	N32° 46' 10.18"	W103° 31' 19.51"		4,003	
L 04160	3	GACKLE DRILLING CO.	PRO	18S	34E	01 3 3	N32° 46' 10.18"	W103° 31' 19.51"	26-May-59	4,003	100
L 04160 APPRO				18S	34E	01 3 3	N32° 46' 10.18"	W103° 31' 19.51"	26-May-59	4,003	100
L 04250	3	CACTUS DRILLING CORP. OF TEXAS	PRO	18S	35E	5 1 1	N32° 46' 10.38"	W103° 29' 16.56"	27-Aug-59	3,966	60
L 04250 APPRO				18S	35E	5 1 1	N32° 46' 10.38"	W103° 29' 16.56"	27-Aug-59	3,966	60
L 04664	3	HONDO DRILLING COMPANY	PRO	18S	35E	05 3 2	N32° 46' 23.45"	W103° 29' 1.06"	16-Jun-61	3,967	70
L 04664 APPRO				18S	35E	05 3 2	N32° 46' 23.45"	W103° 29' 1.06"	16-Jun-61	3,967	70
L 04796	3	INC. A-W THOMPSON	PRO	18S	35E	06 3 4 4	N32° 46' 10.52"	W103° 30' 3.22"	25-Jan-62	3,984	95
L 04796 APPRO				18S	35E	06 3 4 4	N32° 46' 10.52"	W103° 30' 3.22"	25-Jan-62	3,984	95
L 05411	0	CAMAY DRILLING COMPANY	PRO	18S	35E	06 4 3	N32° 46' 10.47"	W103° 29' 47.66"	28-May-64	3,980	60

* = Data obtained from the New Mexico Office of the State Engineer Website (<http://waters.osc.state.nm.us> 7001/iWATERS/wr_RegisServlet1) and USGS Database.

Shaded well information indicates well location shown on Figure 2

^A = in acre feet per annum

^B = Interpolated from USGS Topographical Map

Shaded area indicates wells not shown on Figure 2

IND = Industrial

STK = Livestock Watering

EXP = Exploration

PUB = Construction of Public Works

SRO = Secondary recovery of oil

SAN = Sanitary in conjunction with commercial use

POL = Pollution control well

OIL = Oil production

COM = Commercial

PRO = Prospecting or development of a natural resource

DOM = Domestic one household

(quarters are 1=NW, 2=NE, 3=SW, 4=SE)

(quarters are biggest to smallest - X Y are in Feet - UTM are in Meters)

TABLE 2
Summary of Excavation Soil Sample Laboratory Analytical Results
Chevron CVU #47 (Ref. #200060)

Soil Sample I.D.	Depth (feet)	Soil Status	Sample Date	PID Reading (ppm)	Benzene (mg/Kg)	Toluene (mg/Kg)	Ethylbenzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (mg/Kg)	TPH (as gasoline) (mg/Kg)	TPH (as diesel) (mg/Kg)	Total TPH (mg/Kg)	Chloride (mg/Kg)
WSWN-5	3	In Situ	15-Feb-06	--	--	--	--	--	--	<10.0	<10.0	<20.0	320
NSWW-3	3	In Situ	15-Feb-06	--	--	--	--	--	--	--	--	--	144
NSWE-3	3	In Situ	15-Feb-06	--	--	--	--	--	--	--	--	--	720
WSWS-3	3	In Situ	15-Feb-06	--	--	--	--	--	--	--	--	--	944
ESWN-3	3	In Situ	15-Feb-06	--	--	--	--	--	--	<10.0	<10.0	<20.0	29,191
ESWS-3	3	In Situ	15-Feb-06	--	--	--	--	--	--	--	--	--	9,757
SSWW-3	3	In Situ	15-Feb-06	--	--	--	--	--	--	--	--	--	1,280
SSWE-3	3	In Situ	15-Feb-06	--	--	--	--	--	--	<10.0	<10.0	<20.0	14,795
NMOCD Remedial Thresholds				100	10				50			1,000	250³

¹ **Bolded** values are in excess of NMOCD Remediation Thresholds

² -- = Not Analyzed

³ Chloride residuals may not be capable of impacting local groundwater above the NMWQCC standards of 250 mg/L

TABLE 3
Summary of Soil Boring Laboratory Analytical Results

Chevron - CVU #47 (Ref. #200060)

Soil Sample I.D.	Depth (feet)	Soil Status	Sample Date	PID Reading (ppm)	Field Chloride (mg/Kg)	Benzene (mg/Kg)	Toluene (mg/Kg)	Ethylbenzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (mg/Kg)	TPH (as gasoline) (mg/Kg)	TPH (as diesel) (mg/Kg)	Total TPH (mg/Kg)	Chloride (mg/Kg)	Sulfate (mg/Kg)
SB-1	10 to 11	In Situ	09-Feb-06	--	560	0.006	0.007	0.007	0.021	0.041	<10.0	<10.0	<20.0	432	--
	15 to 16	In Situ	09-Feb-06	--	480	--	--	--	--	--	--	--	--	352	--
	20 to 21	In Situ	09-Feb-06	--	560	--	--	--	--	--	--	--	--	512	--
	25 to 26	In Situ	09-Feb-06	--	400	--	--	--	--	--	--	--	--	336	--
	30 to 31	In Situ	09-Feb-06	--	480	<0.005	<0.005	<0.005	<0.015	<0.03	<10.0	<10.0	<20.0	352	--
	35 to 36	In Situ	09-Feb-06	--	400	--	--	--	--	--	--	--	--	352	--
	40 to 41	In Situ	09-Feb-06	--	320	--	--	--	--	--	--	--	--	256	--
	45 to 46	In Situ	09-Feb-06	--	200	--	--	--	--	--	--	--	--	112	--
	50 to 51	In Situ	09-Feb-06	--	160	<0.005	<0.005	<0.005	<0.015	<0.03	<10.0	<10.0	<20.0	64	--
SB-2	10 to 11	In Situ	10-Feb-06	--	4,000+	<0.005	<0.005	<0.005	<0.015	<0.03	<10.0	<10.0	<20.0	10,397	--
	15 to 16	In Situ	10-Feb-06	--	2,000	--	--	--	--	--	--	--	--	1,951	--
	20 to 21	In Situ	10-Feb-06	--	800	--	--	--	--	--	--	--	--	640	--
	25 to 26	In Situ	10-Feb-06	--	480	--	--	--	--	--	--	--	--	320	--
	30 to 31	In Situ	10-Feb-06	--	320	--	--	--	--	--	--	--	--	176	--
	35 to 36	In Situ	10-Feb-06	--	200	--	--	--	--	--	--	--	--	64	--
	40 to 41	In Situ	10-Feb-06	--	200	<0.005	<0.005	<0.005	<0.015	<0.03	<10.0	<10.0	<20.0	80	--
NMOCD Remedial Thresholds				100		10				50			1,000	250³	650³

¹ *Bolded values are in excess of NMOCD Remediation Thresholds and/or NMWQCC groundwater standards*

² *-- = Not Analyzed*

³ *Chloride and sulfate residuals may not be capable of impacting local groundwater above the NMWQCC standards of 250 mg/L and 650 mg/L, respectively*

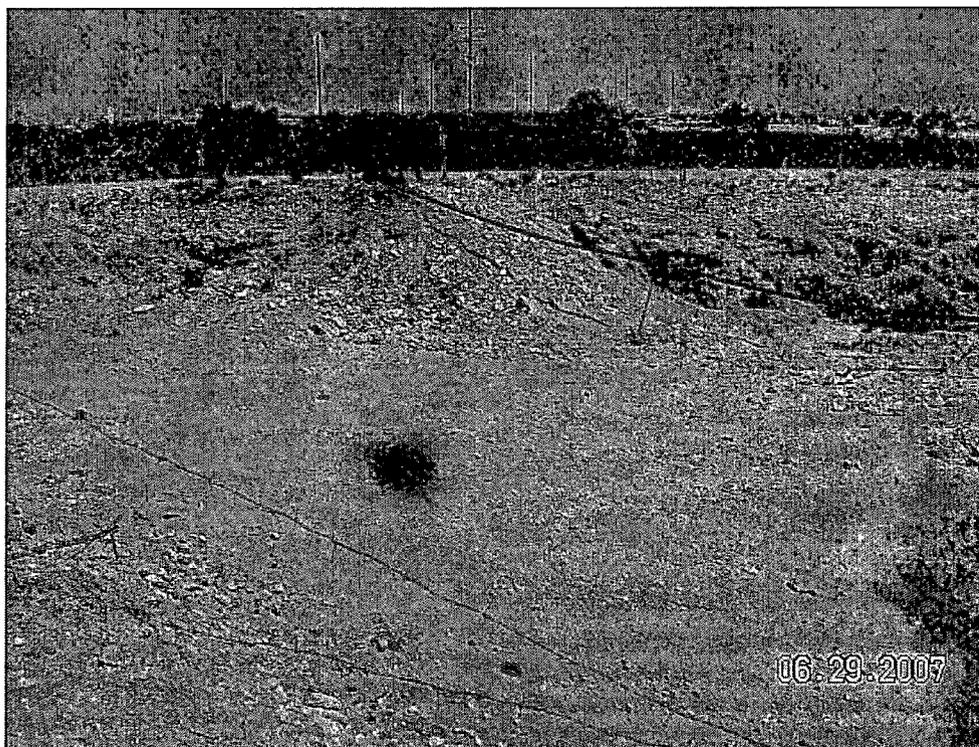
APPENDICES

APPENDIX I

PROJECT PHOTOGRAPHS



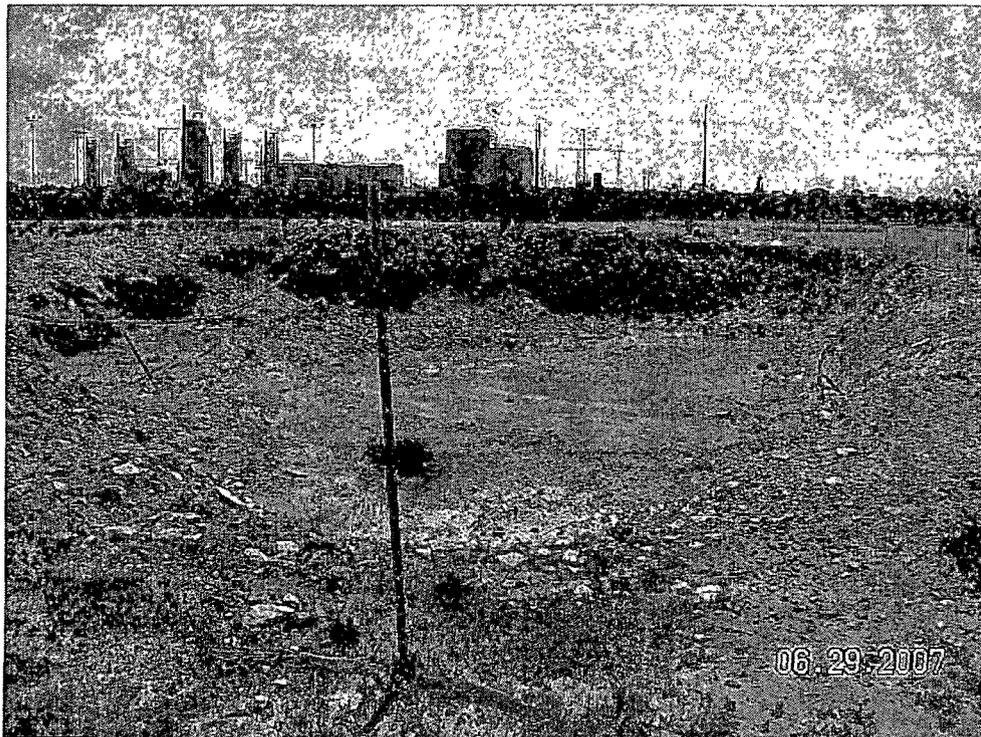
Photograph No. 1 – Lease Sign



Photograph No. 2 – Looking northwesterly at excavation, pipeline and lease road



Photograph No. 3 – Looking northerly at excavation



Photograph No. 4 – Looking northeasterly at excavation and tank battery

APPENDIX II

**LABORATORY ANALYTICAL REPORTS
AND
CHAIN-OF-CUSTODY FORM**



PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

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

ANALYTICAL RESULTS FOR
 ENVIRONMENTAL PLUS, INC.
 ATTN: PAT McCASLAND
 P.O. BOX 1558
 EUNICE, NM 88231
 FAX TO: (505) 394-2601

Receiving Date: 02/16/06
 Reporting Date: 02/21/06
 Project Owner: CHEVRON USA (#200060)
 Project Name: CVU #47 PIT
 Project Location: NOT GIVEN

Analysis Date: 02/20/06
 Sampling Date: 02/15/06
 Sample Type: SOIL
 Sample Condition: COOL & INTACT
 Sample Received By: BC
 Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H10755-1	WSWN-5	320
H10755-2	NSWW-3	144
H10755-3	NSWE-3	720
H10755-4	WSWS-3	944
H10755-5	ESWN-3	29191
H10755-6	ESWS-3	9757
H10755-7	SSWW-3	1280
H10755-8	SSWE-3	14795
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		2.0

METHOD: Standard Methods	4500-Cl ⁻ B
--------------------------	------------------------

NOTE: Analyses performed on 1:4 w:v aqueous extracts.

Pat McCasland
 Chemist

02-21-06
 Date

H10755



**ARDINAL
LABORATORIES**

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

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

ANALYTICAL RESULTS FOR
ENVIRONMENTAL PLUS, INC.
ATTN: PAT McCASLAND
P.O. BOX 1558
EUNICE, NM 88231
FAX TO: (505) 394-2601

Receiving Date: 02/16/05
Reporting Date: 02/22/06
Project Number: CHEVRON USA (#200060)
Project Name: CVU #47 PIT
Project Location: NOT GIVEN

Sampling Date: 02/15/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: BC

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)
ANALYSIS DATE:		02/21/06	02/21/06
H10755-1	WSWN-5	<10.0	<10.0
H10755-5	ESWN-3	<10.0	<10.0
H10755-8	SSWE-3	<10.0	<10.0
Quality Control		778	787
True Value QC		800	800
% Recovery		97.2	98.4
Relative Percent Difference		3.0	1.5

METHOD: SW-846 8015 M


Chemist

2/22/06
Date

H10755A.XLS

PLEASE 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.



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

ANALYTICAL RESULTS FOR
ENVIRONMENTAL PLUS, INC.
ATTN: PAT McCASLAND
P.O. BOX 1558
EUNICE, NM 88231
FAX TO: (505) 394-2601

Receiving Date: 02/13/06
Reporting Date: 02/14/06
Project Owner: CHEVRON USA (#200060)
Project Name: CVU #47 PIT
Project Location: NOT GIVEN

Analysis Date: 02/13/06
Sampling Date: 02/09 & 02/10/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: HM
Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H10733-1	SB-1 10-11	432
H10733-2	SB-1 15-16	352
H10733-3	SB-1 20-21	512
H10733-4	SB-1 25-26	336
H10733-5	SB-1 30-31	352
H10733-6	SB-1 35-36	352
H10733-7	SB-1 40-41	256
H10733-8	SB-1 45-46	112
H10733-9	SB-1 50-51	64
H10733-10	SB-2 10-11	10397
H10733-11	SB-2 15-16	1951
H10733-12	SB-2 20-21	640
H10733-13	SB-2 25-26	320
H10733-14	SB-2 30-31	176
H10733-15	SB-2 35-36	64
H10733-16	SB-2 40-41	80
Quality Control		510
True Value QC		500
% Recovery		102
Relative Percent Difference		0.00

METHOD: Standard Methods	4500-Cl ⁻ B
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NOTE: Analyses performed on 1:4 w:v aqueous extracts.

Hope S. Madeno
Chemist

02-14-06
Date

H10733



ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

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

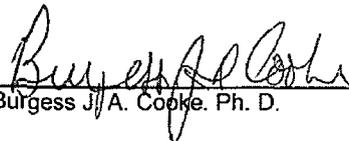
ANALYTICAL RESULTS FOR
ENVIRONMENTAL PLUS, INC.
ATTN: PAT McCASLAND
P.O. BOX 1558
EUNICE, NM 88231
FAX TO: (505) 394-2601

Receiving Date: 02/13/06
Reporting Date: 02/14/06
Project Owner: CHEVRON USA (#200060)
Project Name: CVU #47 PIT
Project Location: NOT GIVEN

Sampling Date: 02/09 & 02/10/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: HM
Analyzed By: BC

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL BENZENE (mg/Kg)	TOTAL XYLENES (mg/Kg)
ANALYSIS DATE:		02/13/06	02/13/06	02/13/06	02/13/06	02/13/06	02/13/06
H10733-1	SP-1 10-11	<10.0	<10.0	0.006	0.007	0.007	0.021
H10733-5	SP-1 30-31	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
H10733-9	SP-1 50-51	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
H10733-10	SP-2 10-11	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
H10733-16	SP-2 40-41	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
Quality Control		730	780	0.101	0.098	0.097	0.265
True Value QC		800	800	0.100	0.100	0.100	0.300
% Recovery		91.2	97.5	101	98.1	96.8	95.3
Relative Percent Difference		7.3	4.0	5.9	2.8	5.0	3.0

METHODS: TPH GRO & DRO - EPA SW-846 8015 M; BTEX - SW-846 8260.


Burgess J. A. Cooke, Ph. D.

2/14/06
Date

H10733A.XLS

PLEASE 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 analysis. 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.

APPENDIX III
SOIL BORING LOGS

Log Of Test Borings

(NOTE - Page 1 of 2)



ENVIRONMENTAL PLUS, INC.
CONSULTING AND
REMEDIAL CONSTRUCTION
EUNICE, NEW MEXICO
505-394-3481

Project Number: 200060
Project Name: Chevron - CVU #47H
Location: UL-A, Section 31, Township 17 South, Range 35 East
Boring Number: SB-1 Surface Elevation: 3,973-feet amsl

Time	Sample Type	Recovery (Inches)	Moisture	PID Readings (ppm)	Chloride Analysis (mg/Kg)	U.S.C.S. Symbol	Depth (feet)	Start Date: 2-9-06 Time: hrs		Completion Date: 2-9-06 Time: hrs		Description
							5					
					432		10					10' SAND - fine, tan/Sandstone/Caliche
					352		15					15' SAND - fine, tan/Sandstone
					512		20					20' SAND - fine, tan/Sandstone
					336		25					25' SAND - fine, tan/Sandstone
					352		30					30' SAND - fine, tan/Sandstone
					352		35					35' SAND - fine, tan

Log of Test Borings

(NOTE - Page 2 of 2)



ENVIRONMENTAL PLUS, INC.
CONSULTING AND
REMEDIAL CONSTRUCTION
EUNICE, NEW MEXICO
505-394-3481

Project Number: 200060

Project Name: Chevron - CVU #47H

Location: UL-A, Section 31, Township 17 South, Range 35 East

Boring Number: SB-1

Surface Elevation: 3,973-feet amsl

Time	Sample Type	Recovery (Inches)	Moisture	PID Readings (ppm)	Chloride Analysis (mg/Kg)	U.S.C.S. Symbol	Depth (feet)	Start Date: 2-9-06 Time: hrs	Completion Date: 2-9-06 Time: hrs	Description
					256		40			40' SAND - fine, tan
					112		45			45' SAND - fine, tan
					64		50			50' SAND - fine, tan
										End of Soil Boring at 51' bgs
							55			
							60			
							65			

Water Level Measurements (feet)

Date	Time	Sample Depth	Casing Depth	Cave-in Depth	Water Level	Drilling Method: Straub
-	-	-	-	-	-	Backfill Method: Bentonite
-	-	-	-	-	-	Field Representative: GB

Log Of Test Borings

(NOTE - Page 1 of 2)



ENVIRONMENTAL PLUS, INC.
CONSULTING AND
REMEDIAL CONSTRUCTION
EUNICE, NEW MEXICO
505-394-3481

Project Number: 200060

Project Name: Chevron - CVU #47H

Location: UL-A, Section 31, Township 17 South, Range 35 East

Boring Number: SB-2

Surface Elevation: 3,973-feet ansl

Time	Sample Type	Recovery (inches)	Moisture	PID Readings (ppm)	Chloride Analysis (mg/Kg)	U.S.C.S. Symbol	Depth (feet)	Start Date: <u>2-10-06</u> Time: <u>hrs</u>	
								Completion Date: <u>2-10-06</u> Time: <u>hrs</u>	
								Description	
							5		
					10,397		10	10' SAND - fine, tan/Sandstone/Caliche	
							15	15' SAND - fine, tan/Sandstone	
					1,951		20	20' SAND - fine, tan/Sandstone	
					640		25	25' SAND - fine, tan/Sandstone	
					320		30	30' SAND - fine, tan/Sandstone	
					176		35	35' SAND - fine, tan/Sandstone	
					64				

Log of Test Borings

(NOTE - Page 2 of 2)



ENVIRONMENTAL PLUS, INC.
CONSULTING AND
REMEDIAL CONSTRUCTION
EUNICE, NEW MEXICO
505-394-3481

Project Number: 200060
Project Name: Chevron - CVU #47H
Location: UL-A, Section 31, Township 17 South, Range 35 East
Boring Number: SB-2 Surface Elevation: 3,973-feet amsl

Time	Sample Type	Recovery (Inches)	Moisture	PID Readings (ppm)	Chloride Analysis (mg/Kg)	U.S.C.S. Symbol	Depth (feet)	Start Date: 2-10-06 Time: hrs	Completion Date: 2-10-06 Time: hrs	Description
					80		40			40' SAND - fine, tan/Sandstone
							45			End of Soil Boring at 41' bgs
							50			
							55			
							60			
							65			

Water Level Measurements (feet)						Drilling Method: Straub
Date	Time	Sample Depth	Casing Depth	Cave-in Depth	Water Level	Backfill Method: Bentonite
-	-	-	-	-	-	Field Representative: GB
-	-	-	-	-	-	

APPENDIX IV

INITIAL NMOCD FORM C-144

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

Form C-144
June 1, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes No
Type of action Registration of a pit or below-grade tank Closure of a pit or below-grade tank

INITIAL PROPOSAL

Operator Chevron USA Telephone 505.396.4414 e-mail address lridenour@chevrontexaco.com	
Address. PO Box 1949 2401 Avenue O Eunice, New Mexico 88231	
Facility or well name. CVU #47 API # Unit Letter (UL) A Qtr/Qtr. NE¼ NE¼ Section. 31, T17S, R35E	
County. Lea Latitude 32°47'49.11"N Longitude. 103°29'26 32"W NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/> WGS 84 <input checked="" type="checkbox"/>	
Surface Owner Federal <input type="checkbox"/> State <input checked="" type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>	
Pit	Below-grade tank
Type Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/>	Volume. bbl Type of fluid
Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/>	Construction material
Liner type. Synthetic <input checked="" type="checkbox"/> Thickness 12 mil Clay <input type="checkbox"/>	Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not.
Pit Volume ~3,000 bbl	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water) ~87' bgs	Less than 50 feet (20 points) <input type="checkbox"/>
	50 feet or more, but less than 100 feet (10 points) <input checked="" type="checkbox"/>
	100 feet or more (0 points) <input type="checkbox"/>
Wellhead protection area. (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) <input checked="" type="checkbox"/>
	No (0 points) <input type="checkbox"/>
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses)	Less than 200 feet (20 points) <input type="checkbox"/>
	200 feet or more, but less than 1,000 feet (10 points) <input type="checkbox"/>
	1,000 feet or more (0 points) <input checked="" type="checkbox"/>
Ranking Score (Total Points) 30	

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite offsite If offsite, name of facility CRI. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered. No Yes If yes, show depth below ground surface _____ ft and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments. It is proposed to close this pit consistent with the "ChevronTexaco Drilling and Reserve Pit Closure General Plan, December 2004" and the NMOCD Pit and Below-Grade Tank Guidelines, November 1, 2004 as promulgated under NMOCD Rule 50 (19 15 2.50 NMAC)

Pit Status. Liner intact Liner punctured or torn

Method of Closure Contents will be stiffen and hauled to disposal facility Excavation will be tested to confirm acceptable concentrations of TPH, BTEX, and Chloride, then backfilled with soil, contured and reseeded.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank will be closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Date. _____ Printed Name/Title Larry Ridenour, Facilities Representative Signature _____

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval.

Printed Name/Title L. Johnson - ENVIRO ENGR Signature [Signature] Date: 7-11-07

* REMOVE 'HOT SPOT' IN SB-2, REMOVE 'HOT WELL' AREAS & RE-SUBMIT CLOSURE PROPOSAL BY 9.17.07