

RECEIVED

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

FEB 13 2008

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

HOBBS OGD

Release Notification and Corrective Action

OPERATOR

Initial Report

Final Report

Name of Company CHEVRON	Contact Larry Williams
Address P.O. Box 1949 Eunice NM. 88231	Telephone No. 505-394-1247 (office), 505-390-7165 (cell)
Facility Name- C H Weir B Battery 13 ✓	Facility Type - Production Battery
Surface Owner- Trent Stradley	Mineral Owner -- Trent Stradley
API # 30 - 025 - 30119	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	12	20S	37E					Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release- Produced Water	Volume of Release 20 BW	Volume Recovered- 6 BBI
Source of Release- 3' poly & PVC pipe connection	Date and Hour of Occurrence- 11/30/2007 10:25 am	Date and Hour of Discovery 11/30/2007 10:25 am.
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Pat Caperton	
By Whom? Larry Williams	Date and Hour 12/3/2007 11:10 am	
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.*

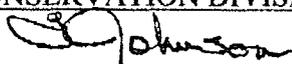
Describe Cause of Problem and Remedial Action Taken.*

Water transfer line going from battery to Skaggs disposal got small leak in connection between poly and PVC pipe. Picked up standing water and disposed of it at a third party disposal. Dug out leak and made repairs.

Describe Area Affected and Cleanup Action Taken.* 15' x 20' area off the West side pad of MB Weir B 13. We will dig up and haul off known contaminated soil and test for chlorides. Then proceed with cleanup as needed.

Chlorides 32,000 ppm Ground water 70'

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 Williams	 Approved by District Supervisor ENVIRONMENTAL ENGINEER	
Title: Production Rep	Approval Date: 2.13.08	Expiration Date: 5.13.08
E-mail Address: LCWL@chevron.com	Conditions of Approval:	
Date: 12/03/2007 Phone: 505-394-1247	Attached <input type="checkbox"/> 1 RP # 1783	

* Attach Additional Sheets If Necessary

Ocotillo ENVIRONMENTAL

Dirt Work • On-Site Remediation • Soil Testing • Excavation

February 7, 2008

Mr. Larry Johnson
Environmental Engineer
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
1625 N. French Drive
Hobbs, New Mexico 88240

RECEIVED

FEB 13 2008

HOBBS OCD

1 RP# 1783

**Re: Spill Remediation Workplan, Chevron Midcontinent Alaska
C. H. Weir B Disposal Line Well #131
Unit Letter O (SW/4, SE/4), Section 12, Township 20 South, Range 37 East,
Lea County, New Mexico
(N 32.58235', W 103.20321')**

Dear Mr. Johnson:

Chevron MidContinent Alaska (Chevron) has retained Ocotillo Environmental, LLC (Ocotillo) to remediate impacts to soil from a leak at a disposal line located approximately 200 feet west of the C. H. Weir B well. The well is located in the southwest quarter (SW/4) of the southeast quarter (SE/4), Section 12, Township 20 South, Range 37 East, Lea County, New Mexico (Site). Approximately 20 barrels of produced water was released from the injection line on November 30, 2007, and approximately 6 barrels was recovered from the site. A C-141 was submitted to the New Mexico Oil Conservation Division (NMOCD) on December 3, 2007. A copy of the C-141 is included as the last page of this report. Figure 1 shows the site location.

Based on published literature (1961), well records of the New Mexico State Engineer, and well records of the United States Geological Survey, groundwater occurs at approximately 68 feet bgs in the well located nearest the Site. No domestic water wells are located within 1,000 feet of the site. The NMOCD has established recommended remediation action levels (RRALs) for benzene, total BTEX and TPH resulting from spills of natural gas liquids ("Guidelines for Remediation of Leaks, Spills and Releases, August 13, 1993"). Remediation levels for benzene, total BTEX and TPH were calculated using the following NMOCD criteria:

Criteria	Result	Ranking Score
Depth-to-Groundwater	50 - 99 Feet	10
Wellhead Protection Area	No	0
Distance to Surface Water Body	>1000 Horizontal Feet	0
Total:		10

The following RRALs have been assigned based on NMOCD criteria:

Benzene 10 mg/kg
Total BTEX 50 mg/kg
TPH 1,000 mg/kg

Mr. Larry Johnson
Page 2
February 7, 2008

Initial Investigation

Impacted soil was excavated from the area and hauled to an NMOCD approved disposal facility. On January 21, 2008, grab soil samples were collected from the bottom of the excavation at a depth of approximately four (4) feet below ground surface (bgs) and composite soil samples were collected from each side wall. The samples were placed in clean glass sample jars, labeled, chilled in an ice chest, and delivered under chain-of-custody control to Cardinal Laboratories, located in Hobbs, New Mexico for analysis of chlorides, TPH and BTEX. Figure 2 shows the sample locations. Table 1 presents a summary of the laboratory analysis of soil samples. Laboratory analysis and chain of custody documentation are included in Appendix A.

Referring to Table 1, TPH and BTEX concentrations were below the RRALs in all samples collected from the excavation. Chloride concentrations in all samples exceeded the recommended clean up standard of 250 mg/kg.

Proposed Remediation

Chevron proposes to conduct excavation of the impacted soil until confirmation samples collected from the bottom and sides of the excavation report chloride concentrations below 250 mg/kg. Excavated soil will be removed to an NMOCD approved disposal facility. Analytical results from final confirmation samples will be reported to the NMOCD prior to backfilling of the excavation. A final report and C141 form will be submitted to the NMOCD following completion of backfilling and re-seeding of the area.

If you have any questions or need additional information, please call Mr. Larry Williams at (505) 394-1247, or myself at (505) 441-7244. We may also be reached by email at lew1@chevron.com or Cindy.Crain@gmail.com.

Sincerely,
Ocotillo Environmental, LLC



Cindy K. Crain, P.G.
Environmental Manager

cc: Larry Williams, Chevron

FIGURES

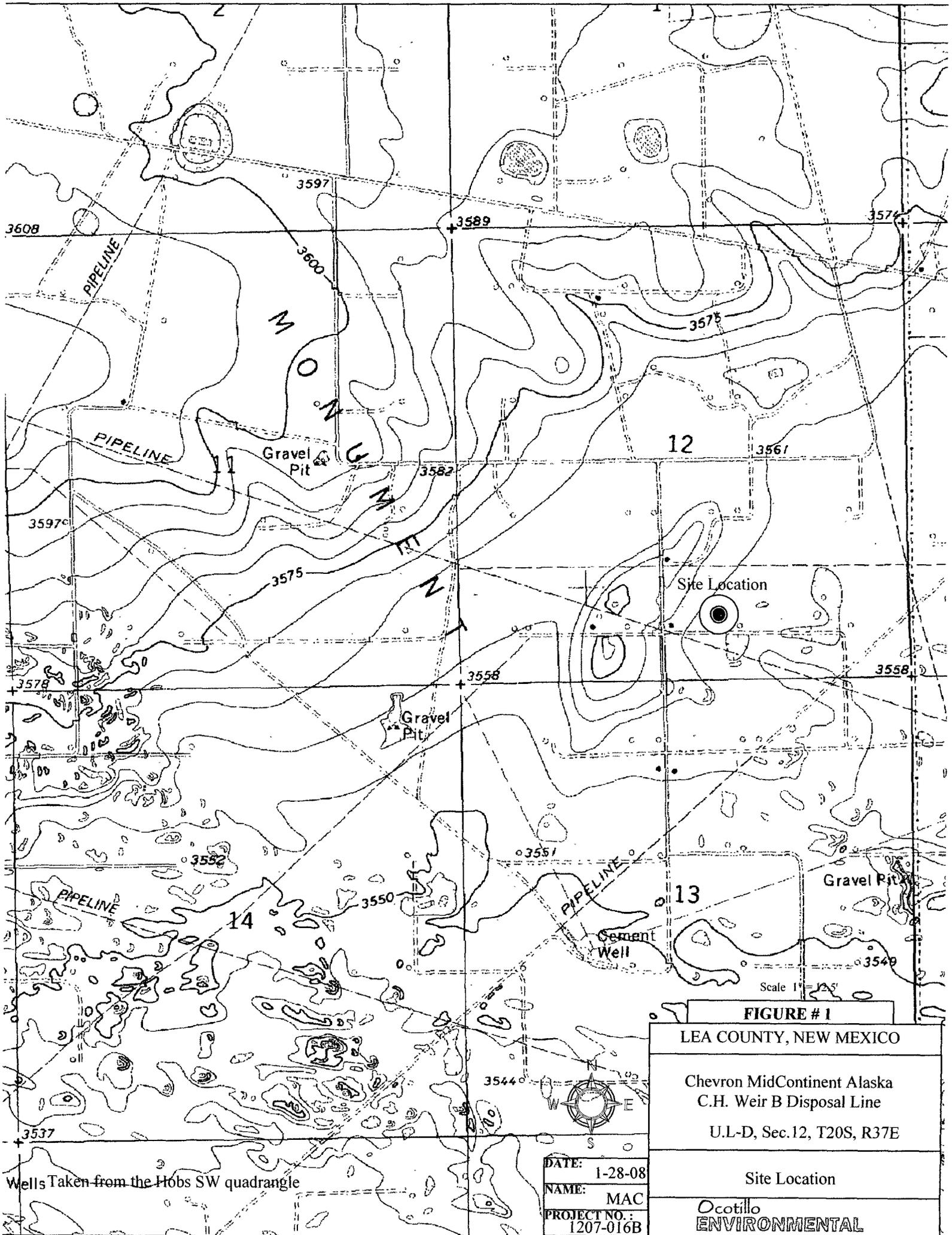


FIGURE # 1

LEA COUNTY, NEW MEXICO

Chevron MidContinent Alaska
 C.H. Weir B Disposal Line
 U.L-D, Sec.12, T20S, R37E

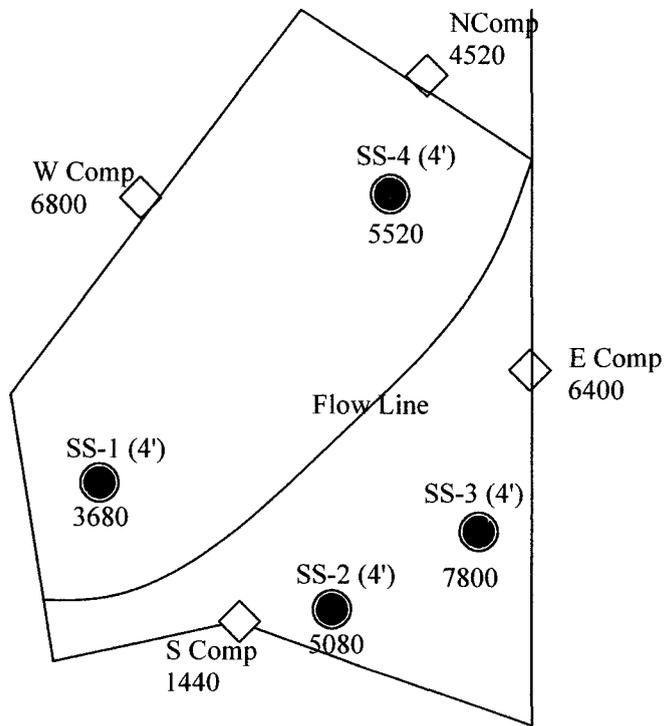
Site Location

Ocotillo
 ENVIRONMENTAL

DATE: 1-28-08
 NAME: MAC
 PROJECT NO.: 1207-016B

Wells Taken from the Hobbs SW quadrangle

Scale 1" = 125'



Sample Location GPS Coordinates		
SS-1	N32.58239°	W103.20321°
SS-2	N32.58234°	W103.20319°
SS-3	N32.58238°	W103.20315°
SS-4	N32.58240°	W103.20318

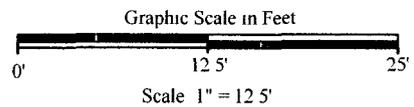


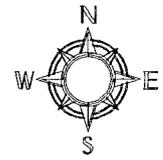
FIGURE # 2

LEA COUNTY, NEW MEXICO

Chevron MidContinent Alaska
C.H. Weir B Disposal Line
U.L-D, Sec.12, T20S, R37E

Site Drawing

Ocotillo
ENVIRONMENTAL



DATE: 1-28-08
NAME: MAC
PROJECT NO.: 1207-016B

LEGEND

● SS-1 (4') 3680 Soil sample location with depth (feet bgs) and chloride concentration (mg/kg).

◇ S Comp 1440 Composite sample location with chloride concentration (mg/kg)

TABLE

Table 1:
Summary of Laboratory Analysis of Soil Samples
Chevron MidContinent Alaska, C. H. Weir B Disposal Line
Unit Letter D, Section 12, Township 20 South, Range 37 East
Lea County, New Mexico

Sample Date	Soil Sample Number	Sample Depth (feet BGS)	TPH - GRO (C6 - C10) (mg/kg)	TPH - DRO (>C10 - C28) (mg/kg)	Total TPH (mg/kg)	Benzene (mg/kg)	Total BTEX (mg/kg)	Chloride (mg/kg)
WQCC Standard					1,000	10	50	250
1/21/08	SS-1	4	<10.0	<10.0	<20.0	<0.002	<0.006	3,680
1/21/08	SS-2	4	<10.0	<10.0	<20.0	<0.002	<0.006	5,080
1/21/08	SS-3	4	<10.0	<10.0	<20.0	<0.002	<0.006	7,800
1/21/08	SS-4	4	<10.0	89.0	89.0	<0.002	<0.006	5,520
1/21/08	S Wall Comp	---	<10.0	37.9	37.9	<0.002	<0.006	1,440
1/21/08	E Wall Comp	---	<10.0	<10.0	<20.0	<0.002	<0.006	6,400
1/21/08	N Wall Comp	---	<10.0	<10.0	<20.0	<0.002	<0.006	4,520
1/21/08	W Wall Comp	---	<10.0	<10.0	<20.0	0.005	0.013	6,800

Notes:

1. BGS: Depth in feet below ground surface
2. mg/kg: Milligrams per kilogram
3. --- No Data Available
4. < Less than method detection limit

APPENDIX A

**ANALYTICAL DATA AND CHAIN OF CUSTODY
DOCUMENTATION**



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

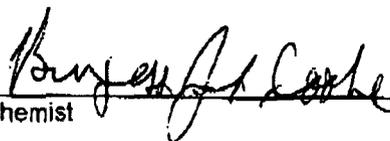
ANALYTICAL RESULTS FOR
OCOTILLO ENVIRONMENTAL LLC
ATTN: CINDY CRAIN
P.O. BOX 1816
HOBBS, NM 88241
FAX TO: (432) 272-0304

Receiving Date: 01/21/08
Reporting Date: 01/22/08
Project Number: 1207-016B
Project Name: WIER B DISPOSAL LINE
Project Location: LEA COUNTY, NM

Sampling Date: 01/21/08
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: ML
Analyzed By: BC/HM

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	Cl [*] (mg/Kg)
ANALYSIS DATE		01/21/07	01/21/07	01/21/07
H14120-1	SS-1 @ 4'	<10.0	<10.0	3680
H14120-2	SS-2 @ 4'	<10.0	<10.0	5080
H14120-3	SS-3 @ 4'	<10.0	<10.0	7800
H14120-4	SS-4 @ 4'	<10.0	89.0	5520
H14120-5	COMP. 5-SOUTH WALL	<10.0	37.9	1440
H14120-6	COMP. 5-EAST WALL	<10.0	<10.0	6400
H14120-7	COMP. 5-NORTH WALL	<10.0	<10.0	4520
H14120-8	COMP. 5-WEST WALL	<10.0	<10.0	6800
Quality Control		787	778	500
True Value QC		800	800	500
% Recovery		98.3	97.0	100.0
Relative Percent Difference		2.2	1.1	<0.1

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl^{*}: Std. Methods 4500-Cl^{*}
*Analyses performed on 1:4 w:v aqueous extracts


Chemist

1/22/08
Date

H14120A OCO

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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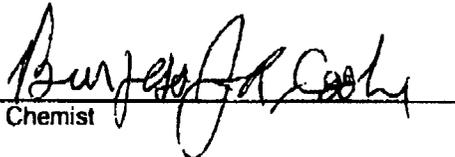
**ANALYTICAL RESULTS FOR
 OCOTILLO ENVIRONMENTAL LLC
 ATTN: CINDY CRAIN
 P.O. BOX 1816
 HOBBS, NM 88241
 FAX TO: (432) 272-0304**

Receiving Date: 01/21/08
 Reporting Date: 01/22/08
 Project Number: 1207-016B
 Project Name: WIER B DISPOSAL LINE
 Project Location: LEA COUNTY, NM

Sampling Date: 01/21/08
 Sample Type: SOIL
 Sample Condition: COOL & INTACT
 Sample Received By: ML
 Analyzed By: BC

LAB NO.	SAMPLE ID	BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL BENZENE (mg/Kg)	TOTAL XYLENES (mg/Kg)
	ANALYSIS DATE	01/21/08	01/21/08	01/21/08	01/21/08
H14120-1	SS-1 @ 4'	<0.002	<0.002	<0.002	<0.006
H14120-2	SS-2 @ 4'	<0.002	<0.002	<0.002	<0.006
H14120-3	SS-3 @ 4'	<0.002	<0.002	<0.002	<0.006
H14120-4	SS-4 @ 4'	<0.002	<0.002	<0.002	<0.006
H14120-5	COMP. 5-SOUTH WALL	<0.002	<0.002	0.003	<0.006
H14120-6	COMP. 5-EAST WALL	<0.002	<0.002	<0.002	<0.006
H14120-7	COMP. 5-NORTH WALL	<0.002	<0.002	<0.002	<0.006
H14120-8	COMP. 5-WEST WALL	0.005	0.003	0.005	0.013
	Quality Control	0.103	0.105	0.111	0.329
	True Value QC	0.100	0.100	0.100	0.300
	% Recovery	103	105	11	110
	Relative Percent Difference	3.7	4.1	9.4	2.2

METHOD: EPA SW-846 8260


 Chemist

1/22/08
 Date

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CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603
(505) 393-2326 FAX (505) 393-2476 (326) 673-7001 FAX (326) 673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: <i>Ocotillo Environmental LLC</i>		BILL TO		ANALYSIS REQUEST											
Project Manager: <i>Cindy Craig</i>		P.O. #:													
Address: <i>2125 French Dr</i>		Company: <i>Ocotillo</i>													
City: <i>Hobbs</i> State: <i>NM</i> Zip: <i>88240</i>		Attn:													
Phone #: <i>505-441-7244</i> Fax #: <i>432-272-0304</i>		Address:													
Project #: <i>1207-010B</i> Project Owner: <i>Chevron</i>		City:													
Project Name: <i>Wier B Disposal Line</i>		State: Zip:													
Project Location: <i>Lea County, N.M.</i>		Phone #:													
Sampler Name: <i>Steve Cannon</i>		Fax #:													

Lab I.D.	Sample I.D.	(GRAB OR (COMP. # CONTAINERS	GROUNDWATER	MATRIX					PRESERV.			SAMPLING		DATE	TIME	Chloride	TPH 8015 M	BTEX 8021 B
				WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:							
H14120-1	SS-1 @ 4'	G												1-21-08	2:35	✓	✓	✓
-2	SS-2 @ 4'	G												"	2:38	✓	✓	✓
-3	SS-3 @ 4'	G												"	3:41	✓	✓	✓
-4	SS-4 @ 4'	G												"	2:47	✓	✓	✓
-5	Comp. S - South Wall	C												"	2:52	✓	✓	✓
-6	Comp. S - East Wall	C												"	2:58	✓	✓	✓
-7	Comp. S - North Wall	C												"	3:04	✓	✓	✓
-8	Comp. S - West Wall	C												"	3:12	✓	✓	✓

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Relinquished By: <i>Steve Cannon</i>	Date: <i>1-21-08</i>	Received By: <i>Naty LeBut</i>	Phone Result: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 'Add'l Phone #:
	Time: <i>3:37</i>		Fax Result: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No 'Add'l Fax #:
Relinquished By:	Date:	Received By:	REMARKS: <i>Fax # 432-272-0304</i>
	Time:		<i>Rush! ASAP Please.</i>
Delivered By: (Circle One)	Sample Condition	CHECKED BY: (Initials)	
<input checked="" type="checkbox"/> Sampler - <input type="checkbox"/> UPS - <input type="checkbox"/> Bus - <input type="checkbox"/> Other:	Cool Intact <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No	<i>MLB</i>	

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

C141 DOCUMENTATION