

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, 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

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

OCT 29 2008

HOBBS, NM

Release Notification and Corrective Action

OPERATOR

X Initial Report

Final Report

Name of Company	Chevron USA	Contact	TEJAY SIMPSON
Address	HCR 60 Box 423 Lovington, N.M. 88260	Telephone No.	505-396-4414 X 101
Facility Name	WEST LOVINGTON UNIT #63	Facility Type	GENERAL LEASE IIS No. 173609C

Surface Owner	CHEVRON	Mineral Owner	STATE OF NEW MEXICO	Lease No.	B-4704
				OGRID NO.	241333
				API	30 025 26823

LOCATION OF RELEASE (Closest Chevron Operated Well)

Unit Letter	Section	Township	Range	Feet from the	South Line	Feet from the	West Line	County
D	9	17.0S	36E	1660 FNL		660 FWI		Lea

(Investigation Site) Latitude 32.8524 Longitude -103.36491

NATURE OF RELEASE

Type of Release	UNKNOWN	Volume of Release	UNKNOWN	Volume Recovered	UNKNOWN
Source of Release	UNKNOWN	Date and Hour of Occurrence	UNKNOWN	Date and Hour of Discovery	APRIL, 2007
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?		Date and Hour			
Was a Watercourse Reached?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			
		UNKNOWN			

If a Watercourse was Impacted, Describe Fully. *Chloride, total Xylenes, Toluene and Benzene impact to groundwater

Describe Cause of Problem and Remedial Action Taken. *| Soil boring investigations conducted in April 2007 at site No. 173609C located adjacent to and outside the Unit Boundary of the West Lovington Unit found evidence of ground water impact. The initial investigation of two separate bore holes indicates the presence of chlorides, BTEX and various hydrocarbon chains at varying concentrations sufficient to require further investigation. The origin, source, date of occurrence or responsible party for the impact is undetermined.

* Verbal notification of potential groundwater impact was made to Chris Williams at the local NMOC District office February 1, 2008. Since the date, time and source of the impacting event is not known, it is assumed that the event was not reported at the time of occurrence.

Describe Area Affected and Cleanup Action Taken.*

Ground water impact in remote low activity oil production and ranching location. The nearest know active livestock water supply well is located approximately one mile north of the investigation site. Water gradient flow is believed to be southeast.

A work plan is being developed to further investigate the potential source of the impact and delineate the area of groundwater impact above standards.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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:	TEJAY SIMPSON	ENVIRONMENTAL ENGINEER	
Title:	OPERATIONS SUPERVISOR	Approval Date:	10.29.08
		Expiration Date:	12.1.08
E-mail Address	tsimpson@chevron.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date:	March 17, 2008	Phone:	396-4414 X 101
		SUBMIT DETAILED REPORT	
		IRP# 1993	

* Attach Additional Sheets If Necessary

OUTLINES REASON FOR INITIAL INVESTIGATION
& PLAN OF ACTION BY 12.1.08