

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, Artesia, NM 88210

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

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 #57	Facility Type GENERAL LEASE - IIS 173608G

Surface Owner CHEVRON	Mineral Owner STATE OF NEW MEXICO	Lease No. B-4704 OGRID NO. 241333 API# 30 025 21885
-----------------------	-----------------------------------	---

LOCATION OF RELEASE (Closest Chevron Operated Well)

Unit Letter	Section	Township	Range	Feet from the	South Line	Feet from the	West Line	County
H	8	17.0S	36E	1650 FNL		989 FEL		Lea

(Investigation Site) Latitude 32.8533056 _ Longitude -103.3763333

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? * see below <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, Hydrocarbon and total Xylenes impact to groundwater

Describe Cause of Problem and Remedial Action Taken.*11 Soil boring conducted in April 2007 at site No. 173608G located within the Unit Boundary of the West Lovington Unit found evidence of ground water impact. The initial investigation indicates chlorides contamination and low level hydrocarbon impact sufficient to warrant 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 NMOCD 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 known 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 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: TEJAY SIMPSON	Approved by District Supervisor:	
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 INITIAL IP# 1992	

* Attach Additional Sheets If Necessary

ADVISING REASONS FOR INVESTIGATION BY