

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 March 17, 1999

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

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company: CHEVRON	Contact: Kim Klahsen
Address: HCR 60, BOX 423 - Lovington, NM 88260	Telephone No. Office: 575-396-4414 ext 228 Cellular: 432-894-3298
Physical: 56 Texas Camp Road, Lovington NM 88260	
Facility Name: CVU-136 Water injection line	Facility Type: Injection well

Surface Owner: STATE of NM	Mineral Owner:	Lease No.:
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LOCATION OF RELEASE-AP # 30-025-25796

Longitude: degrees minutes seconds Latitude: degrees minutes seconds

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County	Lea
E	6	18.0S	35E		North		West		

NATURE OF RELEASE

WTR + 1001

Type of Release: Produced Water. Concentration at the CVU is 53000 ppm chloride.	Volume of Release: 276.56 bbls Produced Water	Volume Recovered: 200 bbls total fluid
Source of Release: Injection well	Date and Hour of Occurrence: Oct 30, 2010 @ approx 12:00 Noon	Date and Hour of Discovery: Oct 30, 2010 @ 2:00 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Not Required	If YES, To Whom? Mr. Larry Johnson	
By Whom? /Kim Klahsen		
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.*
Injection line corroded below surface resulting in a release of 276.56 bbls of produced water to soil. Samples will be collected to determine if the soil meets remediation standards. A plan will be developed after delineation to determine the next course of action. It should be noted that the CVU 136 injection line released fluid directly adjacent to **Well # CVU 106.**

Describe Area Affected and Cleanup Action Taken.*
Approximately 200 feet long by 200 feet wide was impacted by the spill.

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: <i>Kim Klahsen</i>	OIL CONSERVATION DIVISION <i>L. Johnson</i>	
Printed Name: Kim Klahsen	Approved by: District Supervisor ENVIRONMENTAL ENGINEER	
Title: HES Specialist	Approval Date: 11.8.10	Expiration Date: 1.8.2011
Date: November 5, 2010	Phone: 432-894-3298	Conditions of Approval: <i>X</i>
		Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

X SUBMIT FINAL DOCUMENTATION & C-141 BY 1-8-2011

IR# 10-10-2642

**nLWJ 1031248783
PLWJ 1031249236**