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

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

| Release Notification and Corrective Action   |  |                                     |   |   |  |   |   |
|--|--|-------------------------------------|---|---|--|---|---|
| OPERATOR X Initial Report Final Report   |  |                                     |   |   |  |   |   |
| Name of Company Chevron Midcontinent LP Contact Larry Ridenour   Address HCR 60 Box 423 Lovington, N.M. 88260 Telephone No. 505-396-4414 X 102   |  |                                     |   |   |  |   |   |
| Facility Name Lovington Paddock Unit #96   |  | elephone No. 505-396-4414 X 102     |   |   |  |   |   |
|  |  |                                     |   |   |  |   |   |
| Surface Owner City of Lovington Mineral Owner  |  |                                     | State of NM   |   | Leas   | <del>e No.</del> B1505<br><u>3002</u> 5                       | ; 31084   |
| LOCATION OF RELEASE  |  |                                     |   |   |  |   |   |
| Unit Letter Section Township Range<br>N 31 16S 37E   | Feet from the 1070   | South                               | Line .  | Feet from the 1492  | West Line  | County<br>Lea   |   |
| Latitude_N 32  | $\subset$  | API #3                              | 0-025-3108  |   | 7 min 40.09 :  | sec   |   |
|  | NAT  | URE                                 | OF REL  |   | X7.1   |   | .1.3  |
| Type of Release Produced water<br>Source of Release flow line  | Volume of Release 5 BW Volume Recovered 0 bbl   Date and Hour of Occurrence Date and Hour of Discovery |                                     |   |   |  |   |   |
|  |  | 11/16/07 10:00 AM 11/16/07 10:30 am |   |   |  |   |   |
| Was Immediate Notice Given?  | If YES, To Whom?<br>Pat Caperton   |                                     |   |   |  |   |   |
| By Whom? Larry Ridenour  | Date and Hour 11/16/2007 3:10 PM.  |                                     |   |   |  |   |   |
| Was a Watercourse Reached?   | If YES, Volume Impacting the Watercourse.  |                                     |   |   |  |   |   |
| Describe Cause of Problem and Remedial Action<br>Leak location is approximately 200 ft west of the<br>Chlorides 35,300   | e well. Polyethyl  | enc flow                            | v line leak. I  | Bad section remov   | ed and line was  | s fused back togeth   | ler.  |
| Describe Area Affected and Cleanup Action Tak<br>Affected area is approximately 30' diameter circl<br>preformed to determine what else needs to be ren   | e. Area marked   | with wh<br>esults alo               | ite flags for o<br>ong with a ro                      | one call. Moist so<br>mediation plan wi                         | il will be remo<br>ill be submitted                    | ved first. Testing to the OCD for ap                          | will then be<br>oproval.                          |
| I hereby certify that the information given above<br>regulations all operators are required to report an<br>public health or the environment. The acceptanc<br>should their operations have failed to adequately<br>or the environment. In addition, NMOCD accept<br>federal, state, or local laws and/or regulations.   | d/or file certain r<br>c of a C-141 repo<br>investigate and r  | elease no<br>ort by the<br>emediate | otifications a<br>e NMOCD m<br>e contaminat           | nd perform correct<br>narked as "Final R<br>ion that pose a thr | tive actions for<br>eport" does not<br>cat to ground w | releases which manual relieve the operativator, surface water | ay endanger<br>or of liability<br>r, human health |
| Signature: Jan DRiden  |  |                                     | OIL CONSERVATION DIVISION                             |   |  |   |   |
| and the second state and the second state of t |  |                                     | Approved by District Supervise ENVIRONMENTAL ENGINEER |   |  |   |   |
| Title: Operations Representative   | *****  |                                     | Approval Da   |   |  | ion Date: 12.3  | _   |
| E-mail Address LRidenour@chevron.com   |  | (                                   | Conditions o  | f Approval:   |  | Attached [  |   |
| Date: 11/19//2007 Phone:<br>Attach Additional Sheets If Necessary  | 396-4414 X 102   | 5                                   | DUBMIT  | tival w/S   | Danner   | ttion By  |   |
| Anaon Additional Sheets II Necessary   |  |                                     |   |   |  | RA  | )#166a  |