District I State of New Mexico Form C-141 1625 N. French Dr., Hobbs, NM 88240 Energy Minerals and Natural Resource CEWED Revised October 10, 2003 District II 1301 W. Grand Avenue, Artesia, NM 88210 Submit 2 Copies to appropriate **District III Oil Conservation Division** MAR 1 0 2009 District Office in accordance 1000 Rio Brazos Road, Aztec, NM 87410 1220 South St. Francis Dr. with Rule 116 on back District IV HOBREOCD 1220 S. St. Francis Dr., Santa Fe, NM 87505 side of form Santa Fe, NM 87505 **Release Notification and Corrective Action OPERATOR** Final Report Initial Report \square Name of Company CHEVRON USA INC. Contact Larry Williams Telephone No. 505-394-1247 (office), 505-390-7165 (cell) Address P.O. Box 1949 Eunice NM. 88231 Facility Name-Harry Leonard C Facility Type – Battery Mineral Owner - State of New Mexico Surface Owner- State of New Mexico Lease No. AP1#30.025.04937.00.00 **OCATION OF RELEASE** VLIN - HARRY LEUNARDNET C 610) Feet from the North/South Line Feet from the East/West Line Unit Letter Section Township Range County Lea 21 S 36 E Μ 36 Latitude Longitude NATURE OF RELEASE Type of Release- Produced Water Volume of Release Volume Recovered-16 BW 13 BW Source of Release- Pinhole in 4" steel suction line Date and Hour of Occurrence-Date and Hour of Discovery 03/4/2009 10:00 am 03/4/2009 10:30 am Was Immediate Notice Given? If YES, To Whom? Yes No Not Required Larry Johnson By Whom? Larry Williams Date and Hour03/05/2009 10:00 am Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. TYes No No WATER SI 149' If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken Pin hole in 4" steel line to water transfer pump due to internal corrosion. Released 16 BW into secondary containment. Picked up 13 bbl of standing fluid. Describe Area Affected and Cleanup Action Taken.* Fluid was contained within secondary containment in an area 48' x 12' and 14' x 15'. Will address soil condition when battery is decommissioned since it was inside of secondary containment and around the tanks. No further action will be done on clean up of battery. DEPTH TO GW=125 to 150.ft. Chlorides 52,102 We don't have a well in this unit to give an API number 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. **OIL CONSERVATION DIVISION** 11 mm Signature a Approved by District Supervisor: Printed Name: Larry Williams Approval Date: 03/18/09 Title: Production Team Leader Expiration Date: E-mail Address: lcwl@chevron.com Conditions of Approval: Attached Date: 03/9/2009 1RP.09.03.2125 Phone: 505-394-1247

* Attach Additional Sheets If Necessary

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