

CHEVRON U.S.A. INC.
Lea ABE State Well No. 1
Proposed Disposal Operations

1. Proposed average and maximum daily rate of fluids to be disposed:

Average Rate: 500 BBLs water per day
Maximum Rate: 1000 BBLs water per day

2. System Description: The system is a closed system utilizing common oilfield storage tanks and transfer pumps.

3. Proposed average and maximum injection pressure:

Average Surface Pressure: 100 psi
Maximum Surface Pressure: 1000 psi

4. Source of Disposal Water:

Chevron's Lea 'CL' & 'R' state lease which produces from the Anderson Ranch Wolfcamp and the Cisco Canyon pools. Water analysis are attached along with a compatibility study. No incompatibilities are indicated between the disposal and San Andres' waters.

5. An analyses of the San Andres water is attached.