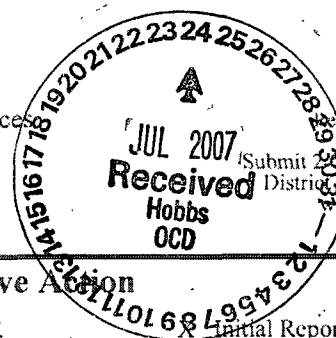


District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St. Francis Dr., Santa Fe, NM 87505

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 October 10, 2003

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

Release Notification and Corrective Action

OPERATOR

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 LOVINGTON PADDOCK UNIT 60	Facility Type INJECTION WELL

Surface Owner CITY OF LOVINGTON	Mineral Owner State of NM	Lease No.
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LOCATION OF RELEASE

Unit Letter F	Section 1	Township 17.0S	Range 36E	Feet from the 1980 FNL	South Line	Feet from the 2310 FWL	West Line	County Lea
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Latitude 32.865882885 Longitude -103.309097904

NATURE OF RELEASE API#30-025-03831

Type of Release Produced Water	Volume of Release 50-BBLS PRODUCED WATER	Volume Recovered 0 BBLS PW fluids.
Source of Release INJECTION TRUNKLINE FAILURE	Date and Hour of Occurrence 07/13/07 11:30 PM	Date and Hour of Discovery 07/13/07 11:45 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? GARY WINK	
By Whom? TEJAY SIMPSON	Date and Hour 7/14/2007 7:00 A.M.	
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.*

WATER INJECTION TRUNKLINE -SPLIT IN 2" X 14" CEMENT LINED NIPPLE. PRODUCED WATER INJECTION LINE FAILURE RESULTING IN THE RELEASE OF AN ESTIMATED 50 BARRELS OF PRODUCED WATER SHORTLY BEFORE MIDNIGHT. LOW PRESSURE ALARM ACTIVATED RESULTING IN CALL OUT OF LEASE OPERATOR. LEAK WAS ISOLATED AND DETERMINED NO RECOVERY OF FLUID WAS POSSIBLE. RELEASE IMPACTED SANDY SOIL WITH HEAVY GRASS VEGETATION. CITY OF LOVINGTON PERSONNEL WERE NOTIFIED SATURDAY, JULY 14TH. EMERGENCY ONE CALL AND EXCAVATION OF IMMEDIATE IMPACT AREA WAS CONDUCTED SATURDAY, JULY 14TH. INITIAL SITE ASSESMENT HAS BEEN CONDUCTED AND DELINEATION PLAN HAS BEEN APPROVED.

Chlorides 38,000 Oil Gravity 38

Describe Area Affected and Cleanup Action Taken.*

SANDY SOIL PASTURE LAND WITH HEAVY GRASS VEGETATION. IMPACT AREA ESTIMATED AT 2,950 SQUARE FEET.

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:		OIL CONSERVATION DIVISION	
Printed Name: TEJAY SIMPSON		Approved by District Supervisor:	
Title: OPERATIONS SUPERVISOR		Approval Date: 7.25.07	Expiration Date: 9.10.07
E-mail Address tsimpson@chevron.com		Conditions of Approval:	
Date: 7/24/2007	Phone: 396-4414 X 101	Submitted Plan for OGD Approval BY	

* Attach Additional Sheets If Necessary

RP# 1498

