District I 1625 N. French Dr. POETVED 1301 W. Grand Avenue, Artesia, NM 88210 1000 Rio Brazos Road DE Gc, NM 874108

State of New Mexico **Energy Minerals and Natural Resources**

Form C-141 Revised October 10, 2003

Submit 2 Copies to appropriate District Office in accordance Oil Conservation Division 1220 South St. Francis Dr. with Rule 116 on back side of form Santa Fe, NM 87505

1220 S. St. Francis Dr., Santa Fe, NM 87505

Release Notification and Corrective Action Initial Report **OPERATOR** Contact : R C Heredia Name of Company: Chevron Address 9830 SW 4400 Andrews Texas 79714 Telephone No. Office: 432-523-3655 ext 7603 Cell: 432-238-2342 金4 Facility Name: Mexico J & L (11) ex # Facility Type: Tank Battery Surface Owner: George Willis Mineral Owner : State Lease No.: B - 9613 API 30 DZS 17368 LOCATION OF RELEASE East/West Line Unit Letter Section Township Range Feet from the North/South Line Feet from the County North Line C 5 25 S 38 E 1119 2322 West Line Lea Latitude 32° 9.788′_ Longitude__103° 4.55′__ NATURE OF RELEASE Volume of Release 2 gallons oil Type of Release: Oil release with a fire Volume Recovered 0 recovered Source of Release: Test Separator Back pressure valve malfunction Date and Hour of Occurrence Date and Hour of Discovery 12/08/2008 @ 14:30 12/08/2008 @ 14:30

If YES, To Whom? Was Immediate Notice Given? Richard Wallace Chevron OS, Ronnie Hazelwood Plant OS, X Yes No Not Required Barbara Baucum Plant HES Date and Hour 12/08/2008 @ 14:30 By Whom? Bert Gallindo Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes X No If a Watercourse was Impacted, Describe Fully * NA Describe Cause of Problem and Remedial Action Taken.* Back pressure valve on test separator malfunctioned sending 2 gallons of oil out to flare causing fire. Rented flare is being used due to third party shut in for plant repairs. Repairs are being made to back pressure valve once completed the facility will be returned to service, flaring to resume until third party completes their repairs. Describe Area Affected and Cleanup Action Taken.* Area around flare stack 100 yards long by 25 yards wide North of flare and another area 50 yards long by 10 yards wide East of flare. Back hoe to clean up area and area to be reseeded 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 Signature: Approved by District Supervisor NMENTAL ENGINEER Printed Name. Ricky Heredia Approval Date: 12.18.08 | Expiration Date: 12.31.08 Title: HES Specialist E-mail Address: rhrc@chevron.com Conditions of Approval: SUBMIT FLARE IRPLZ033 Date: 12/09/2008 Phone: O: 432-523-3655 ext 6703 C:432-238-2342 * Attach Additional Sheets If Necessary

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PERMIT FOR APPROVAL BY 12.31.08

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