GW-070

CLOSED GW PERMIT

DATE: 08.16.2011

Susana Martinez Governor

John H. Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



AUGUST 16, 2011

Mr. Don Lindsey Chevron USA, Inc. P.O. Box 730 Aztec, New Mexico 87410

Dear Mr. Lindsey:

Based on your responses given in the "Oil & Gas Facilities Questionnaire for Determination of a WQCC Discharge Permit", the Oil Conservation Division (OCD) has determined that four of your facilities with an expired permit do not require a Water Quality Control Commission (WQCC) Discharge Permit. This means that the WQCC Discharge Permits for GW - 070 (Rincon Lateral No. 2 CS), GW - 82 (Rincon Lateral No. 1 CS), and GW - 244 (Rincon Lateral No. 4 CS) are hereby rescinded and you are not required to proceed with the renewal of these expired WQCC Discharge Permits. OCD will close these permits in its database.

Because your WQCC Discharge Permits are no longer valid, you may be required to obtain a separate permit(s) for other processes at your facility, such as: pits, ponds, impoundments, below-grade tanks; waste treatment, storage and disposal operations; and landfarms and landfills. OCD will make an inspection of your facility to determine if any of these existing processes may require a separate permit under OCD's Oil, Gas, and Geothermal regulations. If OCD determines that a separate permit(s) is required, then a letter will be sent to you indicating what type of permit is required.

Please keep in mind, if your facility has any discharges that would require a WQCC Discharge Permit now or in the future, then you will be required to renew or obtain a WQCC Discharge Permit.

If you have any questions regarding this matter, please contact Glenn von Gonten at 505-476-3488.

Thank you for your cooperation.

Jami Bailey

Director