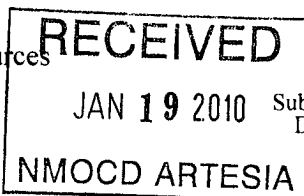


District I
1625 N. French Dr., Hobbs. NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

☒ Initial Report ☒ Final Report

Name of Company CHEVRON USA INC.	Contact Larry Williams
Address P.O. Box 1949 Eunice NM. 88231	Telephone No. 505-394-1247 (office), 505-390-5619 (cell)
Facility Name- Marquardt Federal #2	Facility Type - Well

Surface Owner- Federal	Mineral Owner - Federal	Lease No. NM1424
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30-015-22936

LOCATION OF RELEASE

API # 3001522936

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	12	25 S	26 E	1650'	North	1650	West	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release- Produced Water	Volume of Release 12 BW	Volume Recovered- 10 BW
Source of Release- 2" ball valve on 210 steel water tank	Date and Hour of Occurrence- 01/11/2010 4:30pm	Date and Hour of Discovery 01/11/2010 4:30pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Richard Inges Left word on his voice mail at office	
By Whom? Larry Williams	Date and Hour 01/12/2010 3:30 pm	
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.*


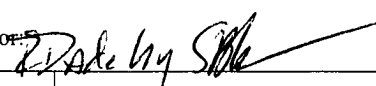
Describe Cause of Problem and Remedial Action Taken

Two inch valve on back side of tank froze and burst due to cold weather. All water was contained inside the lined secondary containment. Called out vacuum truck to pick up standing fluid. Water is near fresh. Water was frozen on ground

Describe Area Affected and Cleanup Action Taken.*

Fluid was contained inside of the lined secondary containment and didn't get outside of the containment. Standing fluid was vacuumed up and hauled to third party disposal. No further clean up will be done since it is a lined containment and all fluids were picked up.

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.

Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Larry Williams	Approved by District Supervisor: 	
Title: Production Team Leader	Approval Date: 1-20-10	Expiration Date: N/A
E-mail Address: lcwl@chevron.com	Conditions of Approval: N/A	Attached <input type="checkbox"/> N/A
Date: 01/12/2010	Phone: 505-394-1247	

* Attach Additional Sheets If Necessary