PC 2/3/04

ENVIRONMENTAL PLUS, INC.
STATE APPROVED LAND FARM AND ENVIRONMENTAL SERVICES

Micro-Blaze Micro-Blaze Gel™

28 December 2005

Mr. Larry Johnson, Environmental Engineer
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division Environmental Bureau
1625 North French
Hobbs, New Mexico 88240

Re: Initial C-144 and supporting documentation
Chevron USA CVU #49 Pit (Ref. #200061)
UL-C, (NE¼ of the NW¼) Section 31, T17S, R35E, Lea County, New Mexico
Latitude: 32°47'49.87"N and Longitude: 103°29'57.76"W

Dear Mr. Johnson:

Environmental Plus, Inc. (EPI), on behalf of Chevron USA (Chevron) submits the enclosed New Mexico Oil Conservation Division (NMOCD) form C-144 and supporting information. Chevron is proposing to close the drill pit at the above-referenced well site in accordance with the NMOCD Pit and Below-Grade Tank Guidelines, November 1, 2004 and the "ChevronTexaco Drilling and Reserve Pit Closure General Plan, December 2004." Please direct all official communications to:

Chevron USA
Larry Ridenour, Facilities Representative
PO Box 1949
Eunice, New Mexico 88231
Telephone: 505.396.4414
Email: LRidenour@ChevronTexaco.com

Should you have any questions or concerns, please call Mr. Iain Olness or myself at (505) 394-3481 or Mr. Larry Ridenour at (505) 396-4414.

Sincerely,

ENVIRONMENTAL PLUS, INC.

Pat McCasland
EPI Safety Director/Environmental Consultant

P.O. BOX 1558 ••• 2100 AVENUE O ••• EUNICE, NEW MEXICO 88231
TELEPHONE 505•394•3481 FAX 505•394•2601

ENVIRONMENTAL PLUS, INC.

cc: Larry Ridenour, Chevron USA
Wayne Minchew, Chevron USA
File

Enclosures: Topographical Map
Site Location Map
Site Map
Groundwater Map
Well Data Table
Photographs
NMOCD Form C-144

ENVIRONMENTAL PLUS, INC.

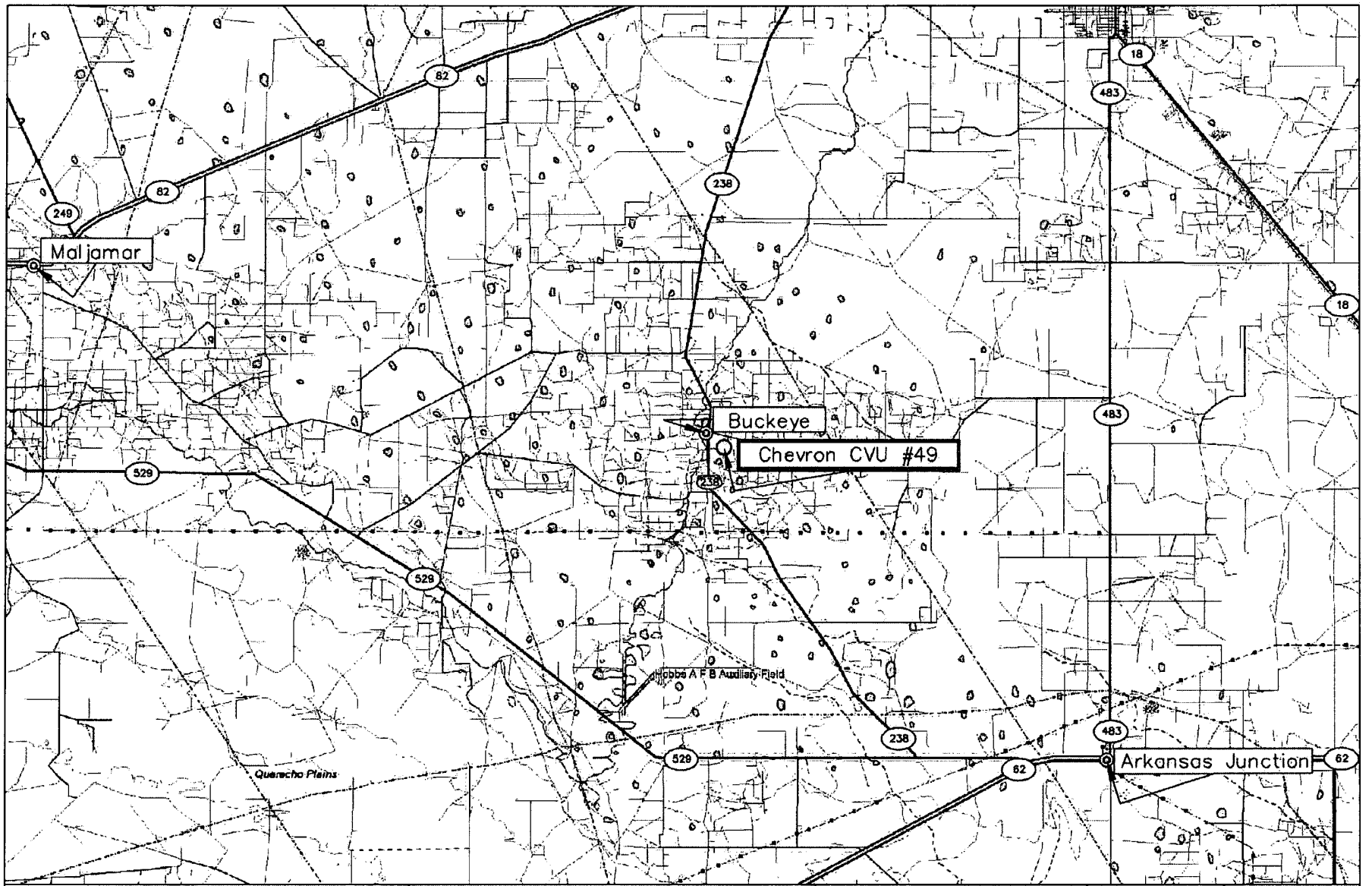


Figure 1 Area Map Chevron Corporation CVU #49	Lea County, New Mexico NE 1/4 of the NW 1/4, Sec. 31, T17S, R35E N 32° 47' 49.87" W 103° 29' 57.76" Elevation: 3,983 feet amsl	DWG By: Daniel Dominguez December 2005 0 3 6 Miles	REVISED: SHEET 1 of 1 N

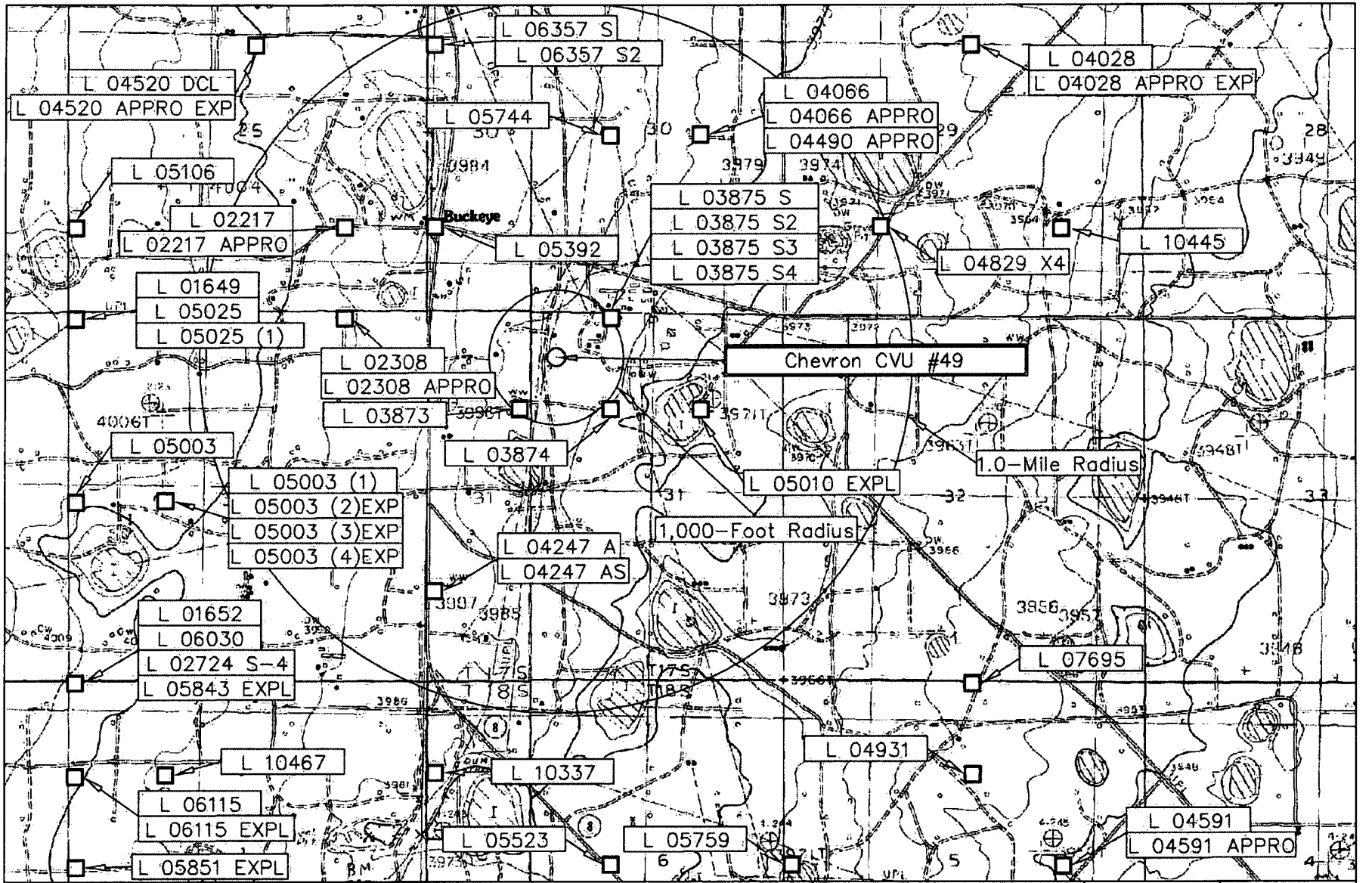


Figure 2 Site Location Map Chevron Corporation CVU #49	Lea County, New Mexico NE 1/4 of the NW 1/4, Sec. 31, T17S, R35E N 32°47' 49.87" W 103°29' 57.76" Elevation: 3,983 feet amsl	DWG By: Daniel Dominguez December 2005	REVISED:
			SHEET 1 of 1

LEGEND

Figure 3 Site Map Chevron Corporation CVU #49	Lea County, New Mexico NE 1/4 of the NW 1/4, Sec. 31, T17S, R35E N 32° 47' 49.87" W 103° 29' 57.76" Elevation: 3,983 feet amsl	DWG By: Daniel Dominguez December 2005 0 10 20 Feet	REVISED: SHEET 1 of 1	N

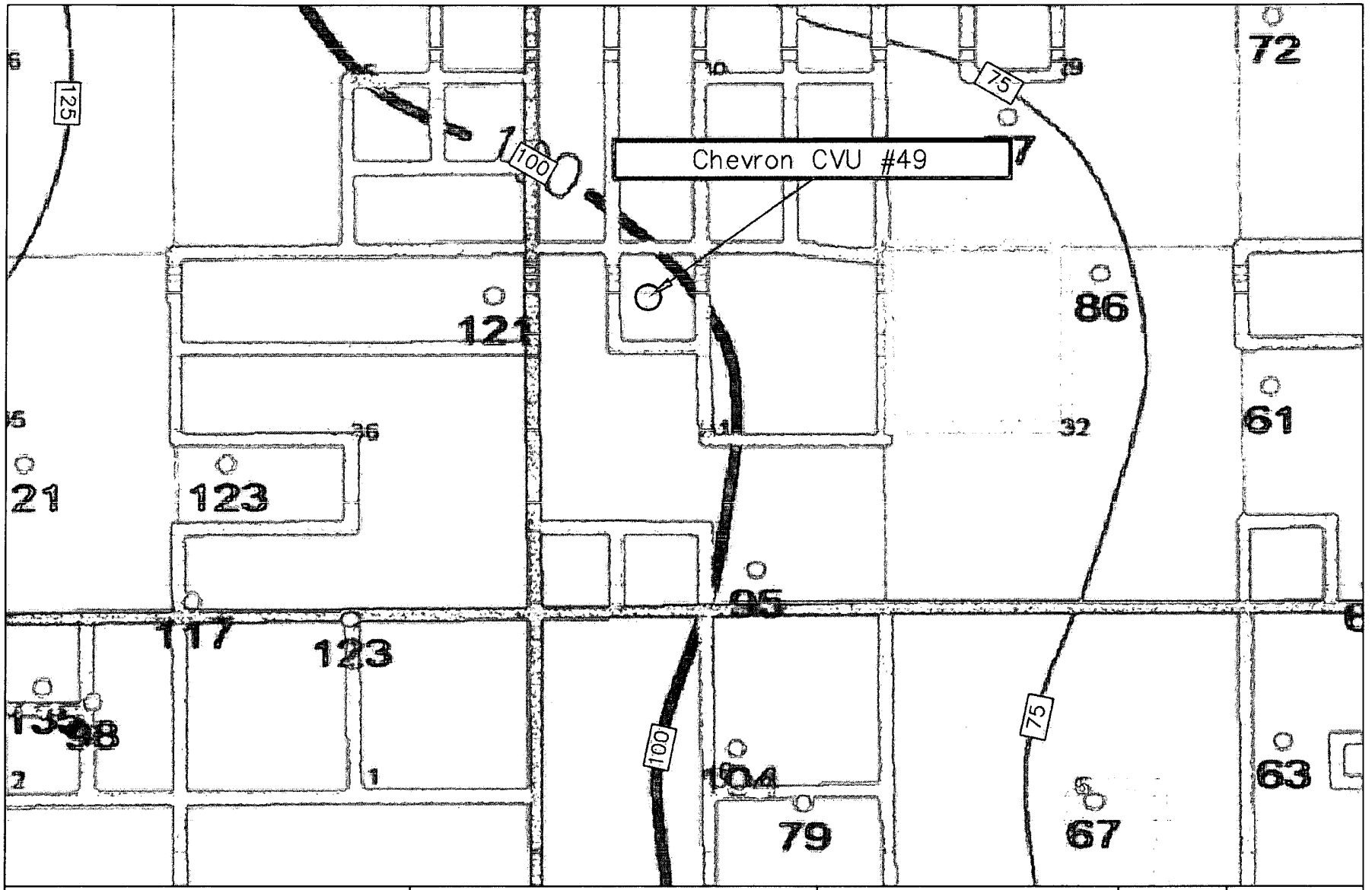


Figure 4 Groundwater Gradient Map Chevron Corporation CVU #49	Lea County, New Mexico NE 1/4 of the NW 1/4, Sec. 31, T17S, R35E N 32° 47' 49.87" W 103° 29' 57.76" Elevation: 3,983 feet amsl	DWG By: Daniel Dominguez December 2005 0 2000 4000 Feet	REVISED: SHEET 1 of 1

TABLE 1

WELL INFORMATION REPORT*

Chevron CVU #49 - (Ref #200061)

Well Number	Diversion[A]	Owner	Use	Twsp	Rng	Sec q q q	Latitude	Longitude	Date Measured	Surface Elevation B	Depth to Water (ft bgs)
L 03873	31.68	PHILLIPS PETROLEUM CO.	IND	17S	35E	31 1 2 3	N32° 47' 42.18"	W103° 30' 3.44"		3,986	
L 03874	23.67	PHILLIPS PETROLEUM CORP.	IND	17S	35E	31 2 1 3	N32° 47' 42.18"	W103° 29' 47.86"		3,983	
L 04247 A	1400	INTREPID MINING NM LLC	IND	17S	35E	31 3 1 3	N32° 47' 16.01"	W103° 30' 18.04"	25-Jan-74	3,993	95
L 04247 AS				17S	35E	31 3 1 2	N32° 47' 16.01"	W103° 30' 18.04"	09-Jul-90	3,993	117
L 05010 EXP	0	NOBLE DRILLING CO.	PRO	17S	35E	31 2 2	N32° 47' 42.15"	W103° 29' 32.29"		3,976	
L 04028	3	ZAPATA PETROLEUM CORPORATION	PRO	17S	35E	29 2 1	N32° 48' 34.50"	W103° 28' 45.96"		3,973	
L 04028 APPRO EXP				17S	35E	29 2 1	N32° 48' 34.50"	W103° 28' 45.96"		3,973	
L 04829 X4	317	PHILLIPS PETROLEUM COMPANY	OIL	17S	35E	29 3 2	N32° 48' 8.33"	W103° 29' 1.36"		3,976	
L 10445	0	GILES LEE	STK	17S	35E	29 4 2 4	N32° 48' 8.14"	W103° 28' 30.39"		3,967	
L 03875 S	0	DUKE ENERGY FIELD SERVICES, LP	POL	17S	35E	30 4 3 3	N32° 47' 55.30"	W103° 29' 47.88"		3,986	
L 03875 S2	0	DUKE ENERGY FIELD SERVICES, LP	POL	17S	35E	30 4 3 3	N32° 47' 55.30"	W103° 29' 47.88"		3,986	
L 03875 S3	0	DUKE ENERGY FIELD SERVICES, LP	POL	17S	35E	30 4 3 4	N32° 47' 55.30"	W103° 29' 47.88"		3,986	
L 03875 S4	0	DUKE ENERGY FIELD SERVICES, LP	POL	17S	35E	30 4 3 3	N32° 47' 55.30"	W103° 29' 47.88"		3,986	
L 04066	3	GACKLE DRILLING COMPANY	PRO	17S	35E	30 2 4	N32° 48' 21.55"	W103° 29' 32.41"	03-Feb-59	3,987	70
L 04066 APPRO				17S	35E	30 2 4	N32° 48' 21.55"	W103° 29' 32.41"	03-Feb-59	3,987	70
L 04490 APPRO	0	MORAN OIL PRODUCING & DRILLING	PRO	17S	35E	30 2 4	N32° 48' 21.55"	W103° 29' 32.41"	25-Jul-60	3,986	70
L 05392	0	INC. A.W. THOMPSON	PRO	17S	35E	30 3 1	N32° 48' 8.38"	W103° 30' 18.09"	16-May-64	3,996	80
L 05744	0	TRI-SERVICE DRILLING COMPANY	PRO	17S	35E	30 2 3 3	N32° 48' 21.53"	W103° 29' 47.94"		3,993	75
L 06357 S	207.8	REPUBLIC FACTORS INC. OF MIDLA	COM	17S	35E	30 1 1 3	N32° 48' 34.57"	W103° 30' 18.13"		3,996	
L 06357 S2				17S	35E	30 1 1 3	N32° 48' 34.57"	W103° 30' 18.13"	20-Jun-89	3,996	130
L 07695	480	PHILLIPS PETROLEUM COMPANY	OIL	17S	35E	32 4 3	N32° 47' 2.60"	W103° 28' 45.63"		3,963	
L 01649	0	CROSS LABORATORIES, INC.	DOM	17S	34E	25	N32° 47' 55.05"	W103° 31' 19.88"		4,012	
L 02217	3	FIRST BAPTIST CHURCH	DOM	17S	34E	25 4 2	N32° 48' 8.32"	W103° 30' 33.54"	10-Jun-53	3,999	75
L 02217 APPRO				17S	34E	25 4 2	N32° 48' 8.32"	W103° 30' 33.54"	10-Jun-53	3,999	75
L 02308	3	CHURCH OF CHRIST	DOM	17S	34E	25 4 4	N32° 47' 55.22"	W103° 30' 33.52"	12-Aug-53	3,999	76
L 02308 APPRO				17S	34E	25 4 4	N32° 47' 55.22"	W103° 30' 33.52"	12-Aug-53	3,999	76
L 04520 APPRO EXP	0	SOCONY MOBIL OIL COMPANY INC.	IND	17S	34E	25 2 1 3	N32° 48' 34.45"	W103° 30' 49.00"		4,006	
L 04520 DCL				17S	34E	25 2 1 3	N32° 48' 34.45"	W103° 30' 49.00"		4,006	
L 05025	0	TRI-SERVICE DRILLING COMPANY	PRO	17S	34E	25 3 3	N32° 47' 55.05"	W103° 31' 19.88"	21-Dec-62	4,012	95
L 05025 (1)	0	TRI-SERVICE DRILLING COMPANY	PRO	17S	34E	25 3 3	N32° 47' 55.05"	W103° 31' 19.88"		4,012	
L 05106	0	NOBLE DRILLING COMPANY	PRO	17S	34E	25 3 1	N32° 48' 8.14"	W103° 31' 19.88"	15-Apr-63	4,011	95
L 01652	0	CROSS LABORATORIES, INC.	DOM	17S	34E	36	N32° 47' 2.72"	W103° 31' 19.90"		4,009	
L 02724 S-4	2410	INTREPID MINING NM LLC	IND	17S	34E	36 3 3 3	N32° 47' 2.72"	W103° 31' 19.90"		4,009	
L 05003	0	BRAHANEY DRILLING CO.	PRO	17S	34E	36 1	N32° 47' 28.89"	W103° 31' 19.89"	28-Nov-62	4,008	105
L 05003 (1)	0	BRAHANEY DRILLING COMPANY	PRO	17S	34E	36 1 4	N32° 47' 28.94"	W103° 31' 4.43"		4,006	
L 05003 (2) EXP	0	BRAHANEY DRILLING COMPANY	PRO	17S	34E	36 1 4	N32° 47' 28.94"	W103° 31' 4.43"		4,006	
L 05003 (3) EXP	0	BRAHANEY DRILLING COMPANY	PRO	17S	34E	36 1 4	N32° 47' 28.94"	W103° 31' 4.43"		4,006	
L 05003 (4) EXP	0	BRAHANEY DRILLING COMPANY	PRO	17S	34E	36 1 4	N32° 47' 28.94"	W103° 31' 4.43"		4,006	
L 05843 EXPL	0	KERMAC POTASH COMPANY	EXP	17S	34E	36 3	N32° 47' 2.72"	W103° 31' 19.90"	26-Jan-66	4,009	
L 06030	3	INC. TEXACO	PRO	17S	34E	36 3 3	N32° 47' 2.72"	W103° 31' 19.90"	05-Oct-66	4,009	102
L 05851 EXPL	0	KERMAC POTASH COMPANY	EXP	18S	34E	01 1	N32° 46' 36.30"	W103° 31' 19.69"	28-Jan-66	4,002	
L 06115	3	TEXACO INC.	EXP	18S	34E	01 1 1 1	N32° 46' 49.35"	W103° 31' 19.80"	10-Mar-67	4,006	110
L 06115 EXPL				18S	34E	01 1 1 1	N32° 46' 49.35"	W103° 31' 19.80"	10-Mar-67	4,006	110

TABLE 1

WELL INFORMATION REPORT*

Chevron CVU #49 - (Ref #200061)

Well Number	Diversion[A]	Owner	Use	Twsp	Rng	Sec q q q	Latitude	Longitude	Date Measured	Surface Elevation[B]	Depth to Water (ft bgs)
L 10467	3	TEXACO E & P	SAN	18S	34E	01 1 2 2	N32° 46' 49.47"	W103° 31' 4.35"	01-Feb-95	3,999	115
L 04591	3	SHARP DRILLING COMPANY	PRO	18S	35E	05 2 4	N32° 46' 36.43"	W103° 28' 30.11"	01-Feb-61	3,954	75
L 04591 APPRO				18S	35E	05 2 4	N32° 46' 36.43"	W103° 28' 30.11"	01-Feb-61	3,954	75
L 04931	0	MOBIL OIL CORPORATION	SRO	18S	35E	05 2 1	N32° 46' 49.55"	W103° 28' 45.61"	07-Mar-81	3,963	70
L 05759	0	PHILLIPS PET. CO.	PRO	18S	35E	05 1 3	N32° 46' 36.60"	W103° 29' 16.56"		3,970	
L 05523	0	MARCUM DRILLING COMPANY	PRO	18S	35E	06 2 3	N32° 46' 36.67"	W103° 29' 47.72"	07-Jan-65	3,983	85
L 10337	0	MARATHON OIL COMPANY	PRO	18S	35E	06 1 1 4	N32° 46' 49.83"	W103° 30' 17.99"	07-Jul-93	3,986	110
L 01644	0	CROSS LABORTORIES INC.	DOM	18S	34E	1	N32° 46' 10.18"	W103° 31' 19.51"		4,003	
L 04160	3	GACKLE DRILLING CO.	PRO	18S	34E	01 3 3	N32° 46' 10.18"	W103° 31' 19.51"	26-May-59	4,003	100
L 04160 APPRO				18S	34E	01 3 3	N32° 46' 10.18"	W103° 31' 19.51"	26-May-59	4,003	100
L 04230	3	CACTUS DRILLING CORP. OF TEXAS	PRO	18S	35E	5	N32° 46' 10.38"	W103° 29' 16.56"	27-Aug-59	3,966	60
L 04230 APPRO				18S	35E	5	N32° 46' 10.38"	W103° 29' 16.56"	27-Aug-59	3,966	60
L 04664	3	HONDO DRILLING COMPANY	PRO	18S	35E	05 3 2	N32° 46' 23.45"	W103° 29' 1.05"	16-Jun-61	3,967	70
L 04664 APPRO				18S	35E	05 3 2	N32° 46' 23.45"	W103° 29' 1.05"	16-Jun-61	3,967	70
L 04726	3	INC. A.W. THOMPSON	PRO	18S	35E	06 3 4 4	N32° 46' 10.52"	W103° 30' 3.22"	25-Jan-62	3,984	95
L 04726 APPRO				18S	35E	06 3 4 4	N32° 46' 10.52"	W103° 30' 3.22"	25-Jan-62	3,984	95
L 05411	0	CAMAY DRILLING COMPANY	PRO	18S	35E	06 4 3	N32° 46' 10.47"	W103° 29' 47.65"	28-May-64	3,980	60

* = Data obtained from the New Mexico Office of the State Engineer Website (http://iwaters.ose.state.nm.us:7001/iWATERS/wr_RegisServlet1) and USGS Database.

Shaded well information indicates well location shown on Figure 2

[A] = in acre feet per annum

[B] = Interpolated from USGS Topographical Map

Shaded area indicates wells not shown on Figure 2

IND = Industrial

STK = Livestock Watering

EXP = Exploration

PUB = Construction of Public Works

SRO = Secondary recovery of oil

SAN = Sanitary in conjunction with commercial use

POL = Pollution control well

OIL = Oil production

COM = Commercial

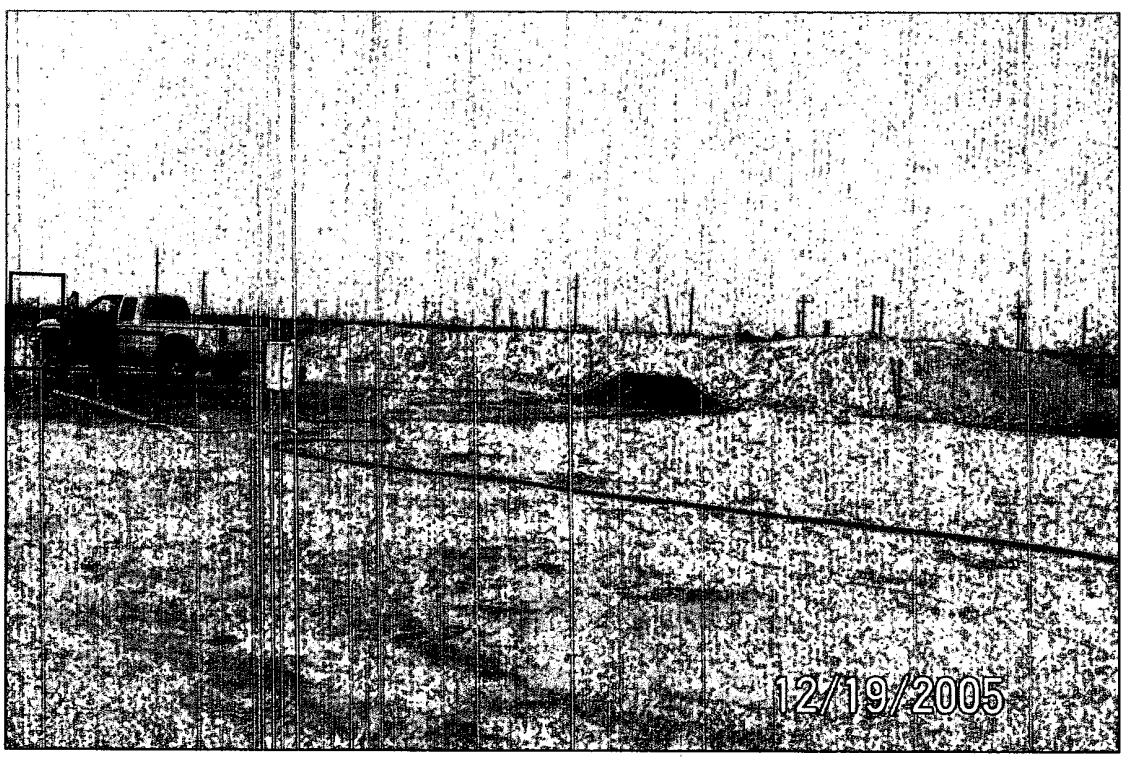
PRO = Prospecting or development of a natural resource

DOM = Domestic one household

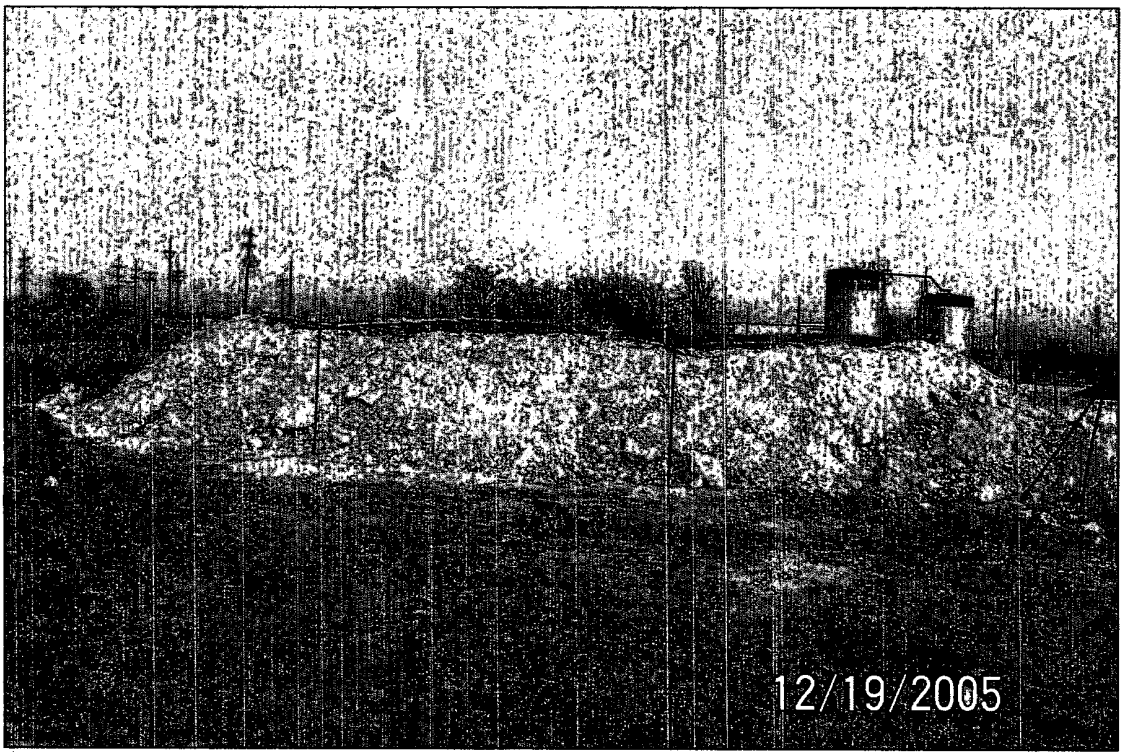
(quarters are 1=NW, 2=NE, 3=SW, 4=SE)

(quarters are biggest to smallest - X Y are in Feet - UTM are in Meters)

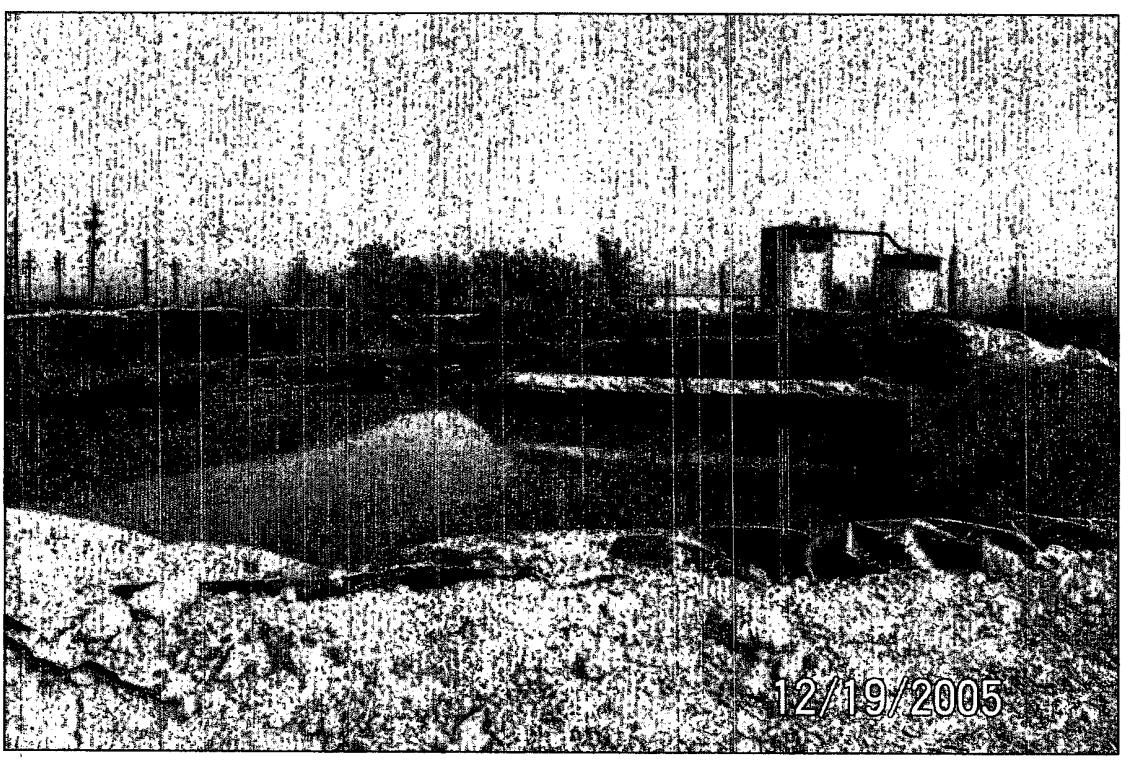
Photograph #1-Lease sign.



Photograph #2- Pit and berm, note pit is constructed above grade.



Photograph #3-Pit and berm, note pit is constructed above grade.



Photograph #4-Pit and berm, note pit is constructed above grade.

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-144
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐
Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☒

Operator: Chevron USA Telephone: 505.396.4414 e-mail address: lridenour@chevrontexaco.com

Address: HCR 60 P.O. Box 423 Lovington, New Mexico 88260

Facility or well name: CVU #49 API #: 3002502958000 Unit Letter (UL): C Qtr/Qtr: NW¼ NE¼ Section: 31, T17S, R35E

County: Lea Latitude: 32°47'49.87"N Longitude: 103°29'57.76"W NAD: 1927 ☐ 1983 ☐ WGS 84 ☒

Surface Owner: Federal ☐ State ☒ Private ☐ Indian ☐

Pit	**Below-grade tank**	
Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐	Volume: bbl Type of fluid:	
Lined ☒ Unlined ☐	Construction material:	
Liner type: Synthetic ☒ Thickness 12 mil Clay ☐	Double-walled, with leak detection? Yes ☐ If not, explain why not.	
Pit Volume: ~3,000 bbl		
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) ~105'bgs	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) ☐ (10 points) ☐ (0 points) ☒
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) ☐ (0 points) ☒
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1,000 feet 1,000 feet or more	(20 points) ☐ (10 points) ☐ (0 points) ☒
	Ranking Score (Total Points)	**0**

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if your are burying in place) onsite ☐ offsite ☒ If offsite, name of facility CRI. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☒ Yes ☐ If yes, show depth below ground surface_____ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments: It is proposed to close this pit consistent with the "ChevronTexaco Drilling and Reserve Pit Closure General Plan, December 2004" and the NMOCD Pit and Below-Grade Tank Guidelines, November 1, 2004 as promulgated under NMOCD Rule 50 (19.15.2.50 NMAC).

Pit Status: Liner intact ☒ Liner punctured or torn ☐

Method of Closure: Contents will be stiffen and hauled to disposal facility. Excavation will be tested to confirm acceptable concentrations of TPH, BTEX, and Chloride, then backfilled with soil, contured and reseeded.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that the above-described pit or below-grade tank will be closed according to NMOCD guidelines ☒, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.**

Date: 1-10-06 Printed Name/Title Larry Ridenour, Facilities Representative Signature Larry Ridenour

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title GARY W. WINK/STAFF MGR Signature Gary W. Wink Date: 2/6/06