



Chevron

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January 9, 2004

Mr. Roger Briggs
Executive Officer
California Regional Water Quality Control Board-Central Coast Region
895 Aerovista Place, Suite 101
San Luis Obispo, California, 93401

**Re: Chevron Progress Report for December 2003, Regional Water Quality Control Board
Cleanup or Abatement Order 00-28, Chevron Station No. 9-0919, Cambria, California**

Dear Mr. Briggs:

This monthly progress report is submitted in accordance with the Regional Water Quality Board (RWQCB) Cleanup or Abatement Order 00-28 issued on April 14, 2000.

The following activities were completed last month to assess the release from the Chevron service station:

1. Conducted groundwater monitoring as part of the Fourth Quarter 2003 monitoring event in accordance with the requirements of Monitoring and Reporting Program No. 97-79.
2. Submitted the November 2003 groundwater monitoring results on December 16, 2003 as part of the Monthly Remediation Status Report for November 2003.

The following activities were completed last month to remediate the release from the Chevron service station:

1. Continued the operation and monitoring of the onsite high-vacuum dual-phase extraction (HDVPE) system. System operation was transitioned to a pulse mode in late April 2003 due to low influent hydrocarbon vapor concentrations. In August 2003, the electric catalytic oxidizers were replaced by granular activated carbon vessels for vapor abatement.
2. Continued operation and evaluation of the offsite hydraulic containment system. The system currently includes groundwater extraction from nine wells (MW-10, MW-11, MW-19, MW-35, MW-36, MW-46, MW-47, MW-48 and HVE-2). In early August 2003, the activated carbon-based groundwater treatment system installed previously by Chevron at the Santa Maria Wastewater Treatment Plant was relocated to the service station property. Currently, groundwater extracted from the groundwater extraction and HDVPE system is treated onsite

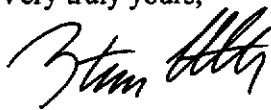
and the treated groundwater is trucked to the Santa Maria Wastewater Treatment Plant for discharge to the treatment works.

3. Conducted monthly groundwater level gauging and sampling of the groundwater extraction wells as required by Monitoring and Reporting Program No. 97-79, revised December 11, 2001.
4. Submitted the November 2003 remediation system monitoring results on December 16, 2003 as part of the Monthly Remediation Status Report for November 2003.
5. Chevron continued activities to procure permits for the implementation of remedial actions as described in the Source Zone Remediation Design Report dated September 11, 2003. Minor Use Permit approval from the County of San Luis Obispo Department of Planning and Building was obtained on December 8, 2003. Chevron is currently working with the adjacent property owner to finalize an access agreement.

With respect to water replacement, as recently reported in the press, Chevron has reached a settlement of the civil lawsuit brought by the Cambria Community Services District (CCSD). The settlement will resolve all water replacement issues. Chevron has finalized the Settlement Agreement with the CCSD.

Should you have any questions or wish to discuss these actions in detail, please do not hesitate to contact me.

Very truly yours,



For Eric Roehl
Project Manager