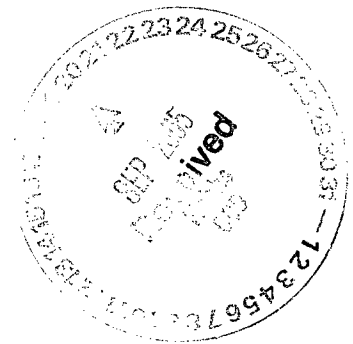
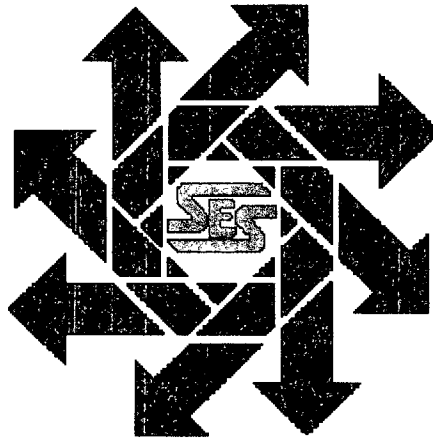


**Oxy USA
Myers Langlie Mattix
Southwest Water Injection Trunk Line
Closure Report
Unit H, Section 12, Township 24S, Range 36E
Lea County, New Mexico**

April 1, 2005

1 RP-54
9/27/05



Prepared for:

**Oxy USA
1017 W. Stanolind Road
Hobbs, New Mexico 88240**

By:

***Safety & Environmental Solutions, Inc.
703 E. Clinton Suite 102
Hobbs, New Mexico 88240
(505) 397-0510***

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I. Company Contacts

Rick Kerby	Oxy USA	505-393-2174	rick_kerby@oxy.com
Bob Allen	SESI	505-397-0510	ballen@sesi-nm.com

II. Background

Safety & Environmental Solutions, Inc. (SESI) was contracted by Oxy USA to perform assessment and cleanup services on an area identified as the Myers Langlie Mattix Southwest Water injection Trunk Line. The subject site is an injection line leak area located in Section 12, Township 24S, Range 36E, Lea County, New Mexico.

III. Contaminant and Size of Area

The suspected contaminate was produced water from a flat plug on a 2" injection lateral that rusted out. Approximately 260 barrels of brine was released, of which, 230 barrels was recovered. The suspected contaminant was classified as an exempt oilfield waste. No evidence of other contaminants was observed.

IV. Surface and Ground Water

According to the database provided by the New Mexico State Engineer's Office the nearest groundwater of record is in Section 13 of the same range and township. The depth of water in the well was 131 feet on May 22, 1991.

V. Soils

The soils in the area are predominantly sand and sandy loam.

VI. Work Performed

The cleanup level reached by the application of the "**Guidelines for Remediation of Leaks, Spill and Releases**" *New Mexico Oil Conservation Division* – August 13, 1993 to this site is 5000 ppm Total Petroleum Hydrocarbon (TPH). Application of the New Mexico Oil Conservation Division's ranking criteria for contaminated soils at this site is presented below.

Depth to Ground Water:	0 points
Distance to Well Head or Water Source:	0 points
Distance to Surface Water/Waterways:	0 points
<hr/> Total Score:	<hr/> 0 points

On April 29, 2004 Oxy retrieved four (4) surface samples and drilled four (4) boreholes to a depth of 6'. On May 20, 2004 Oxy retrieved samples at 6 ½', 8', and 9'. On July 20, 2004 Oxy retrieved samples of the sidewalls and bottom of the excavated area around the leak site. All samples were sent under Chain of Custody to Cardinal Laboratories of Hobbs, New Mexico. All samples were analyzed for Chlorides (Cl⁻) (EPA Method 4500-Cl⁻B) and Borehole G, which was drilled at the site of the leak, was analyzed for TPH (EPA Method 8015) and Benzene, Toluene, Ethyl Benzene, and Total Xylenes (BTEX) (EPA Method 8260). The results of the analysis are as follows:

Date	Sample ID	Cl ⁻		Date	Sample ID	Cl ⁻
4/29/04	Surface 1	64		4/29/04	A @ 1½'	1056
4/29/04	Surface 2	48		4/29/04	A @ 3'	528
4/29/04	Surface 3	80		4/29/04	A @ 4½'	1839
4/29/04	Surface 4	64		4/29/04	A @ 6'	1008
4/29/04	B @ 1½'	1024		4/29/04	C @ 1½'	560
4/29/04	B @ 3'	1759		4/29/04	C @ 3'	832
4/29/04	B @ 4½'	1759		4/29/04	C @ 4½'	1040
4/29/04	B @ 6'	1040		4/29/04	C @ 6'	224
4/29/04	D @ 1½'	1711		4/29/04	G @ 1½'	1264
4/29/04	D @ 3'	416		4/29/04	G @ 3'	1264
4/29/04	D @ 4½'	336		4/29/04	G @ 4½'	1520
4/29/04	D @ 6'	704		4/29/04	G @ 6'	2559

Date	Sample ID	GRO	DRO	Benzene	Toluene	Ethyl Benzene	Total Xylenes
4/29/04	G @ 1½'	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
4/29/04	G @ 3'	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
4/29/04	G @ 4½'	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
4/29/04	G @ 6'	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015

Date	Sample ID	Cl ⁻		Date	Sample ID	Cl ⁻
5/20/04	MLMU 6½'	1088		7/20/04	S Wall 9'	1040
5/20/04	MLMU 8'	1088		7/20/04	E Wall 9'	1024
5/20/04	MLMU 9'	1296		7/20/04	Bottom 10½'	1104

On February 3, 2005 SESI drilled Borehole #1 to a depth of 10'. On March 17, 2005 SESI drilled Borehole #2 to a depth of 10'. Samples were retrieved at 5' and 10' in Borehole #1 and at 10' in Borehole #2. All samples were sent under Chain of Custody to Cardinal Laboratories. The samples were analyzed for Chlorides (EPA Method 4500-Cl⁻ B). The results of the analysis are as follows:

Date	Sample ID	Cl ⁻
2/3/05	BH #1 5'	880
2/3/05	BH #1 10'	912
3/17/05	BH #2 10'	128

VII. Request for Closure

There was no indication of the presence of TPH or BTEX at this site. The Chloride levels are under 1,000 ppm at a depth of 10' in both boreholes.

Due to the proximity of the groundwater SESI requests no further action be required at this site.

VIII. Figures & Appendices

Figure 1 - Vicinity Map

Figure 2 - Site Plan

Appendix A – C-141

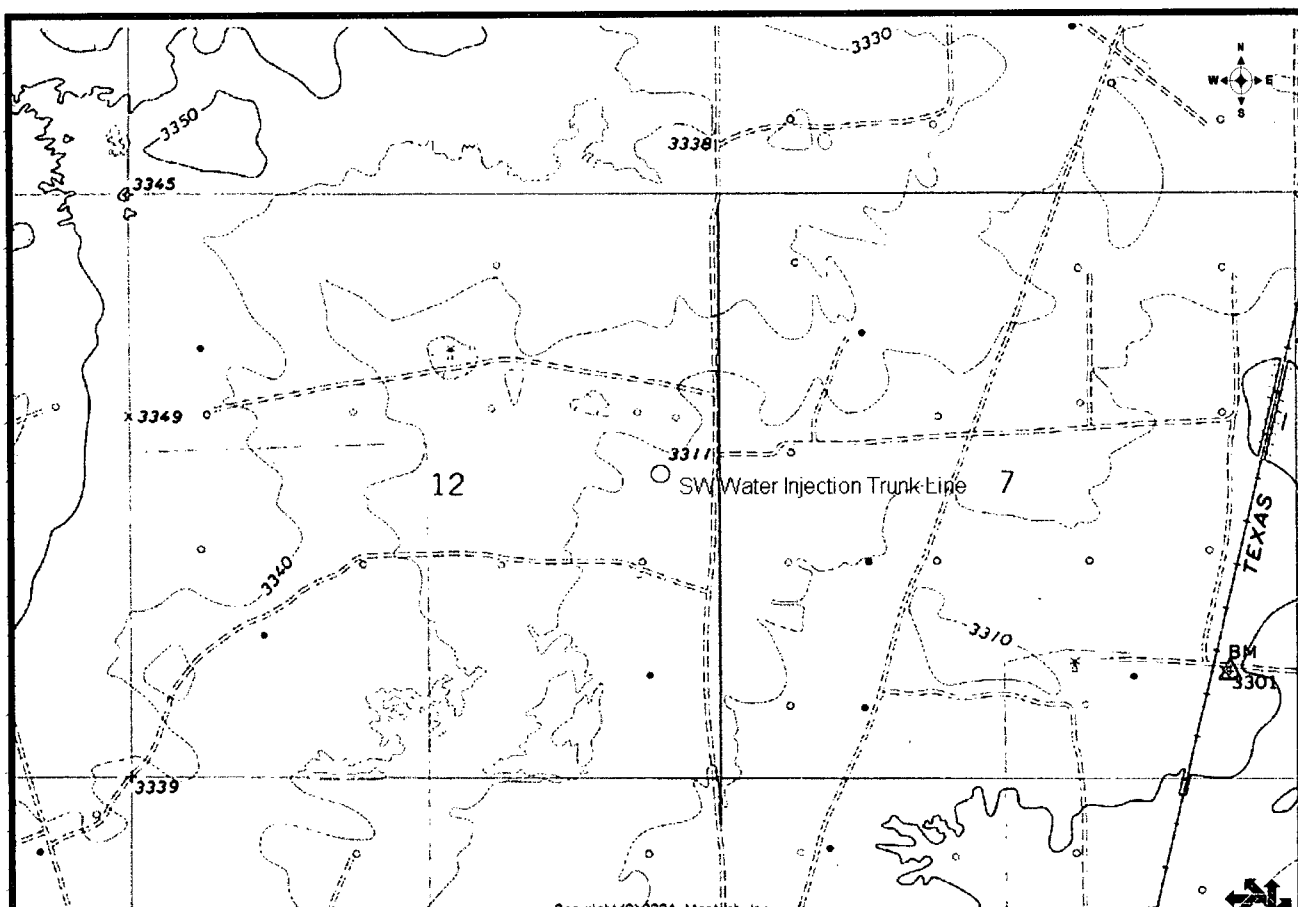
Appendix B - Oxy Analytical Results

Appendix C - SESI Analytical Results

Appendix D - Site Photos

Figure 1

Vicinity Map

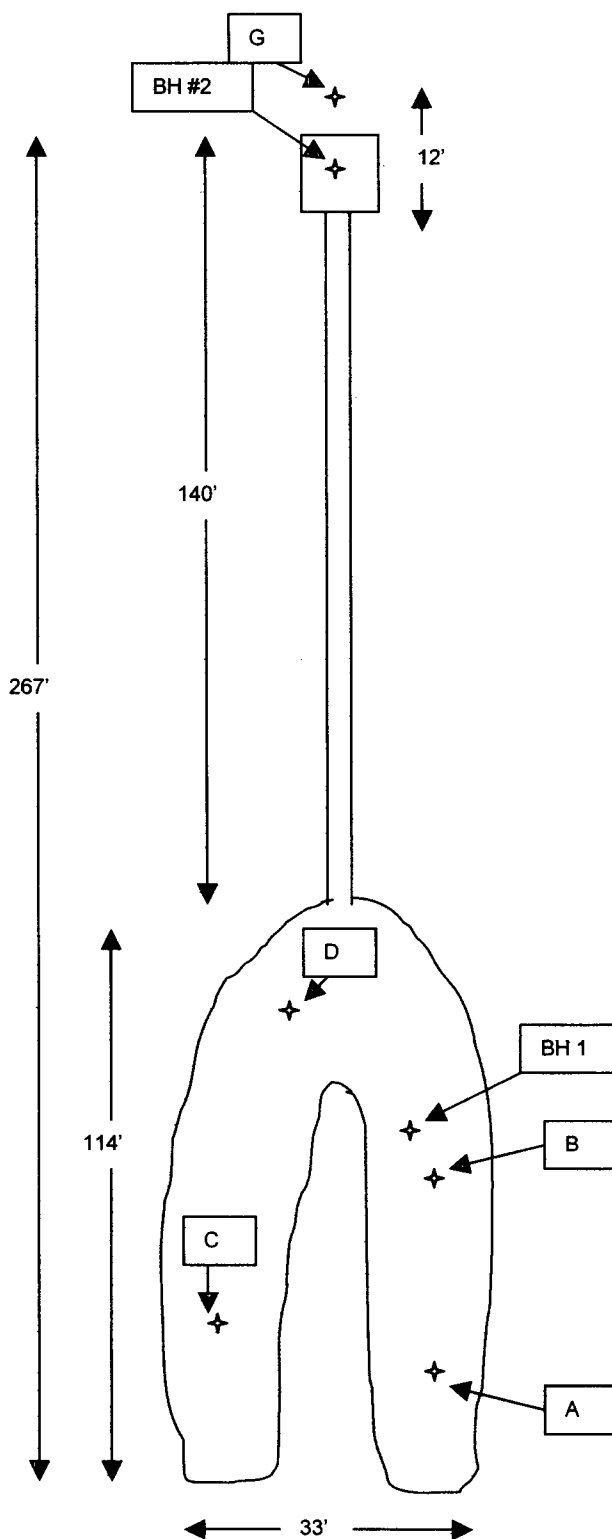
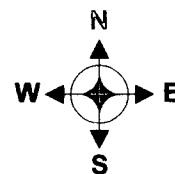


OXY USA

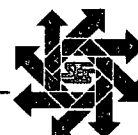
SW Water injection Trunk Line
S 12, T24S, R36E
Lea County, New Mexico

Safety & Environmental Solutions, Inc.

Figure 2 Site Plan



Not to Scale



Oxy USA
Site Plan

SW Water injection Trunk
Line
S 12, T24S, R36E

Safety & Environmental
Solutions, Inc.

Appendix A

C-141

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	OXY USA WTP LP	Contact	Rick Kerby
Address	1017 W. Stanolind Rd Hobbs NM	Telephone No. (O) 393-2174 C) 631-4972	
Facility Name	Myers Langlie Mattix Unit	Facility Type	Injection flow line

Surface Owner	Kelly Myers	Mineral Owner		Lease No.	
---------------	-------------	---------------	--	-----------	--

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County	Lea
	12	24S	36E						

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	260 BBls Approximate	Volume Recovered	230 bbls
Source of Release	Hole in Injection line	Date and Hour of Occurrence	04-24-2004 2:00PM	Date and Hour of Discovery	04-24-2004 6:00 PM
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Via Telephone message to Ext 112, Sylvia Dickey			
By Whom?	Rick Kerby	Date and Hour 04-24-2004 11:15 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.*

Due to corrosion, 4" trunk line from SW Water Injection Header at Well 255, put approximate 260 bbl produced water into pasture. Water line could not be shut in and lease was shut-in. Vacuum trucks were called and hauled 230 barrels to disposal. One Call was filed on 4-26-04 and leak will be repaired on 4-28-04. Plan for remediation will be sent to NMOCD prior to clean up.

Describe Area Affected and Cleanup Action Taken.*

Produced water was put into sandy pasture. Remediation plan will be filed with NMOCD prior to clean 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: <i>Rick Kerby</i>	OIL CONSERVATION DIVISION	
Printed Name: Rick Kerby	Approved by District Supervisor:	
Title: HES Tech	Approval Date:	Expiration Date:
E-mail Address: rick_kerby@oxy.com	Conditions of Approval:	Attached <input type="checkbox"/>

Date: 4-26-04

Phone: 631-4972

Appendix B

Oxy Analytical Results



PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
OXY USA WTP LP
ATTN: RICK KERBY
1943 N. GRIMES #B-269
HOBBS, NM 88240
FAX TO: (505) 397-2671

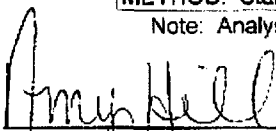
Receiving Date: 04/30/04
Reporting Date: 05/03/04
Project Number: NOT GIVEN
Project Name: MLMU SW WTR INJ
Project Location: MLMU

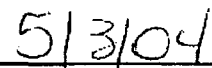
Analysis Date: 05/03/04
Sampling Date: 04/29/04
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)	
H8653-1	G-1	1264	
H8653-2	G-2	1264	
H8653-3	G-3	1520	
H8653-4	G-4	2559	6'
H8653-5	C-1	560	
H8653-6	C-2	832	
H8653-7	C-3	1040	6'
H8653-8	C-4	224	
H8653-9	A-1 @ 1 1/2	1056	
H8653-10	A-2 @ 3'	528	
H8653-11	A-3 @ 4 1/2	1839	
H8653-12	A-4 @ 6'	1008	6'
Quality Control		1010	
True Value QC		1000	
% Recovery		101	
Relative Percent Difference		3.0	

METHOD: Standard Methods 4500-ClB

Note: Analyses performed on 1:4 w:v aqueous extracts.


Chemist


Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. Cardinal shall not be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



ARDINAL LABORATORIES

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PHONE (505) 393-2325 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR

OXY USA WTP LP

ATTN: RICK KERBY

1943 N. GRIMES #B-269

HOBBS, NM 88240

FAX TO: (505) 397-2671

Receiving Date: 04/30/04

Reporting Date: 05/03/04

Project Number: NOT GIVEN

Project Name: MLMU SW WTR INJ

Project Location: MLMU

Analysis Date: 05/03/04

Sampling Date: 04/29/04

Sample Type: SOIL

Sample Condition: COOL & INTACT

Sample Received By: GP

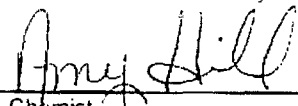
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H8653-13	B-1	1024
H8653-14	B-2	1759
H8653-15	B-3	1759
H8653-16	B-4	1040
H8653-17	D-1	1711
H8653-18	D-2	416
H8653-19	D-3	336
H8653-20	D-4	704
H8653-21	1	64
H8653-22	2	48
H8653-23	3	80
H8653-24	4	64
Quality Control		1010
True Value QC		1000
% Recovery		101
Relative Percent Difference		3.0

METHOD: Standard Methods

4500-Cl⁻B

Note: Analyses performed on 1:4 w:v aqueous extracts.


Chemist


Date

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PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR

OXY USA WTP LP

ATTN: RICK KERBY

1543 N. GRIMES #B-260

HOBBS, NM 88240

FAX TO: (505) 387-2671

Receiving Date: 04/30/04

Reporting Date: 05/03/04

Project Number: NOT GIVEN

Project Name: MLMU SW WTR INJ

Project Location: MLMU

Sampling Date: 04/29/04

Sample Type: SOIL

Sample Condition: COOL & INTACT

Sample Received By: GP

Analyzed By: BC

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (C ₁₀ -C ₂₈) (mg/Kg)	BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL BENZENE (mg/Kg)	TOTAL XYLENES (mg/Kg)
ANALYSIS DATE:		04/30/04	04/30/04	04/30/04	04/30/04	04/30/04	04/30/04
H8653-1	G-1	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
H8653-2	G-2	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
H8653-3	G-3	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
H8653-4	G-4	<10.0	<10.0	<0.005	<0.005	<0.005	<0.015
Quality Control		737	746	0.105	0.100	0.093	0.280
True Value QC		800	800	0.100	0.100	0.100	0.300
% Recovery		92.2	93.3	105	89.7	93.1	93.4
Relative Percent Difference		6.0	7.8	0.9	2.0	5.2	3.9

METHODS: TPH GRO & DRO - EPA SW-846 8015 M; BTEX - SW-846 8260.

Burgess J.A. Cooke, Ph. D.
Burgess J.A. Cooke, Ph. D.

5/3/04
Date

H8653A.XLS

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PHONE (325) 873-7001 • 2111 BEECHWOOD • AISLENT, TX 79603

PHONE (806) 393-2322 • 101 E. MARLAND • MORRIS, NM 88240

ANALYTICAL RESULTS FOR

OXY USA WTP LP

ATTN: RICK KERBY

1017 STANOLIND RD.

HOBBS, NM 88240

FAX TO:

Receiving Date: 05/20/04

Reporting Date: 05/21/04

Project Number: NOT GIVEN

Project Name: MLMU SW W1

Project Location: MLMU

Analysis Date: 05/20/04

Sampling Date: 05/20/04

Sample Type: SOIL

Sample Condition: COOL & INTACT

Sample Received By: AH

Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cr (mg/Kg)
H8719-1	MLMU 6 1/2'	1088
H8719-2	MLMU 8'	1088
H8719-3	MLMU 6'	1296
Quality Control		1030
True Value QC		1000
% Recovery		103
Relative Percent Difference		3.0

METHOD: Standard Methods 4500-CrB

Note: Analyses performed on 1:4 w.v aqueous extracts.

Amy Hill
Chemist

5/21/04
Date

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ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR

OXY USA

ATTN: RICK KERBY

1943 N. GRIMES B-269

HOBBS, NM 88240

FAX TO: (505) 397-8205

Receiving Date: 07/20/04

Reporting Date: 07/22/04

Project Number: NOT GIVEN

Project Name: MLMU SW WTR INJ.

Project Location: NOT GIVEN

Analysis Date: 07/20/04

Sampling Date: 07/20/04

Sample Type: SOIL

Sample Condition: COOL & INTACT

Sample Received By: AH

Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H8929-1	SOUTH WALL 9'	1040
H8929-2	EAST WALL 9'	1024
H8929-3	BOTTOM 10 1/2'	1104
Quality Control		990
True Value QC		1000
% Recovery		99.0
Relative Percent Difference		1.0
METHOD: Standard Methods		4500-ClB

Note: Analyses performed on 1:4 w:v aqueous extracts.

Amy Hill
Chemist

7/22/04
Date

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Appendix C

SESI Analytical Results



PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ATTN: BOB ALLEN
703 E. CLINTON #102
HOBBS, NM 88240
FAX TO: (505) 393-4388

Receiving Date: 02/03/05
Reporting Date: 02/04/05
Project Number: NOT GIVEN
Project Name: SW WATER INJECTION TRUNK
Project Location: NOT GIVEN

Analysis Date: 02/04/05
Sampling Date: 02/03/05
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: AH

[illegible]

METHOD: Standard Methods 4500-CrB

Note: Analyses performed on 1:4 w:v aqueous extracts.

Amy Hill
Chemist

2/4/05
Date

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ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 RITCHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
SAFETY & ENVIRONMENTAL SOLUTIONS, INC.
ATTN: BOB ALLEN
703 E. CLINTON, #102
HOBBS, NM 88240
FAX TO: (505) 393-4388

Receiving Date: 03/18/05
Reporting Date: 03/21/05
Project Number: OXY-05-002
Project Name: SW INJECTION LINE
Project Location: NOT GIVEN

Analysis Date: 03/18/04
Sampling Date: 03/17/05
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H9638-1	BH #2 10'	128
Quality Control		970
True Value QC		1000
% Recovery		97.0
Relative Percent Difference		2.0

METHOD: Std. Methods 4500-Cl⁻B

NOTE: Analysis performed on a 1:4 w:v aqueous extract.

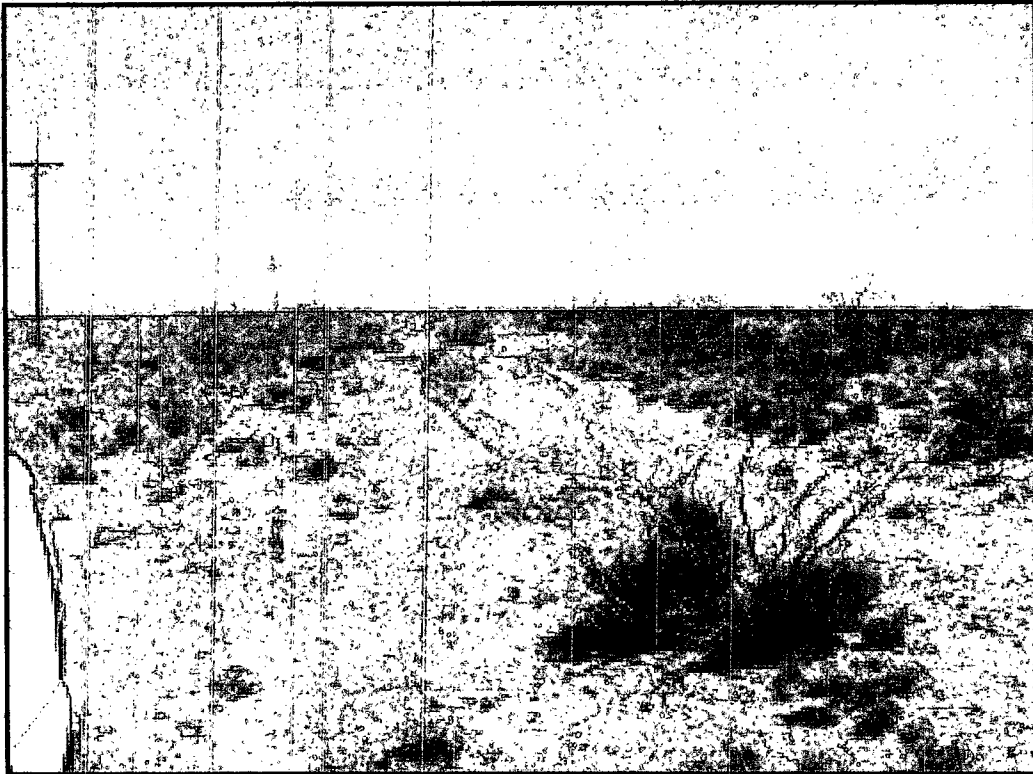
Amy Hill
Chemist

3/21/05
Date

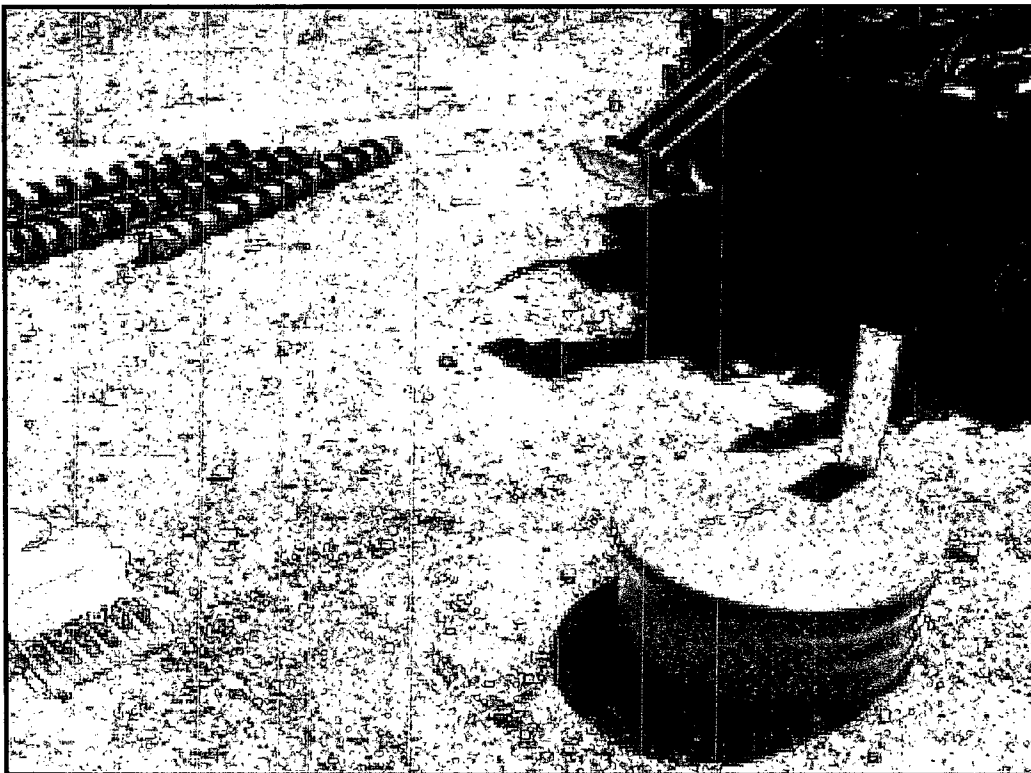
PLEASE NOTE: **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. **H9638-1** Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated matters or otherwise.

Appendix D

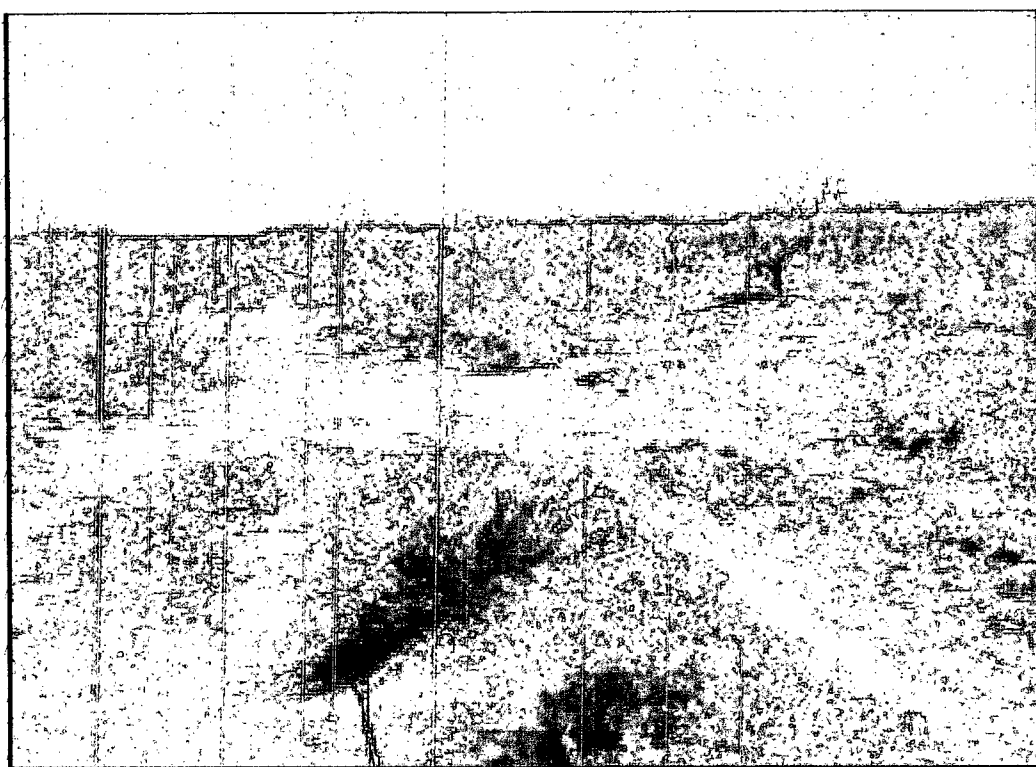
Site Photos



Subject Site facing East from Box



Installation of Borehole # 2



East Half of Subject Site Facing East