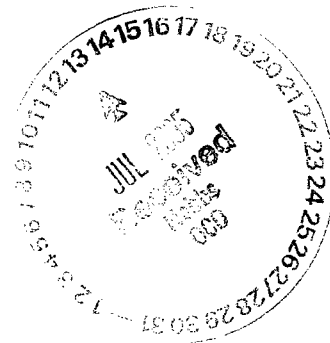


OXY PERMIAN LTD. CARLTON STREET SEWER LINE ROW HOBBS, NEW MEXICO

SITE INVESTIGATION REPORT

BBC INTERNATIONAL, INC.
WORLD-WIDE ENVIRONMENTAL SPECIALISTS
1324 W. MARLAND BLVD.
P. O. BOX 805
HOBBS, NEW MEXICO 88240
(505)397-6388 • FAX (505)397-0397
EMAIL: cbrunson@bbcinternational.com
WEBSITE: www.bbcinternational.com



July 7, 2005

PREPARED FOR:

**PAT HUNTER
OXY PERMIAN LTD.
6 DESTA DRIVE SUITE 6
MIDLAND, TEXAS 79705**

*Oxy - 157984
facility - FPAC0604051422
incident - NPAC0604051521
application - PPAC0604051597*

OXY PERMIAN

Carlton Street Sewer Line ROW

Site Investigation Report

1.0 INTRODUCTION

The purpose of this site investigation was to verify possible soil contamination discovered along the new sewer line route on the west side of Carlton Street in west Hobbs, New Mexico in Section 5, Township 18 South, and Range 38 East. Residential areas with some undeveloped rangeland and petroleum production facilities surround the site.

The site runs North–South for approximately 65 feet on the west side of Carlton Street based on input from the City of Hobbs Utilities Division. A diagram of the area including the sample points can be reviewed in **Appendix I** of this report. The surface soil is brown topsoil and caliche.

2.0 SITE INVESTIGATION ACTIVITIES

On May 17, 2005 BBC International, Inc.(BBC) was contacted by Oxy Permian (OXY) concerning a report to the New Mexico Oil Conservation Division (NMOCD) by City of Hobbs personnel of possible contamination discovered while installing new sewer lines along the west side of Carlton Street. When BBC personnel visited the location on May 20, 2005, the trench had been backfilled and BBC personnel were unable to determine the exact location of the site.

On May 23, 2005, BBC personnel met with Mr. Charles Rothwell of the City of Hobbs Utilities Division. Mr. Rothwell showed BBC personnel the approximate North and South ends of the site. Mr. Rothwell stated that he was at the site during the excavation and that he personally had made the call to the NMOCD. Mr. Rothwell also stated that the trench had been backfilled with clean soil and that the excavated soil had been taken to an unknown location and mixed with other soil. BBC then took GPS coordinates of the north and south ends of the site, indicated by Mr. Rothwell, using a Garmin C60 handheld GPS receiver. After reviewing photographs of the location taken by Mr. Paul Sheeley of the NMOCD, BBC concluded that the landmarks in the photographs supported Mr. Rothwell's assertion of the site location.

On May 27, 2005, BBC personnel conducted a sampling event at the site. Four sample points were dug at the site using a post hole tool, a portable gas drill, and a hand auger. All sample points were dug on the west side of the street.

BBC took GPS coordinates at all sample points using a Garmin C60 handheld GPS receiver. One sample was taken from each of the sample points based on Mr. Rothwell's identification of the area and depth that had prompted him to contact the NMOCD (**Appendix I**).

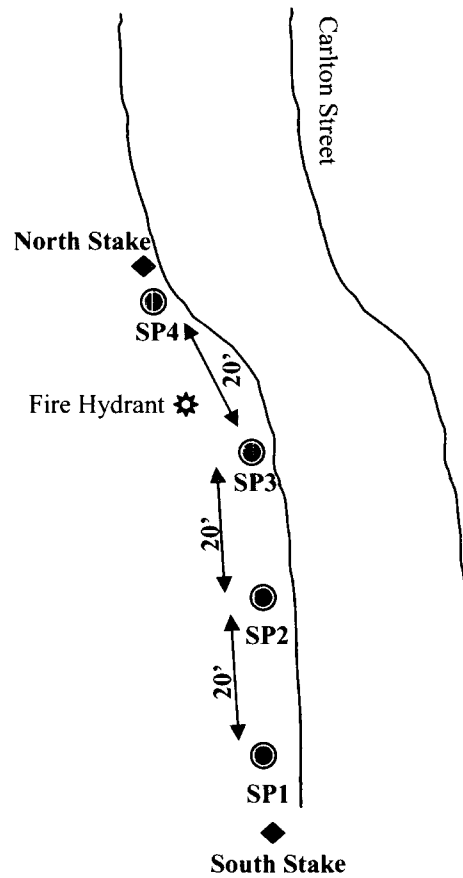
Samples from SP1 and SP3 were taken at 24 inches and samples from SP2 and SP4 were taken at 30 inches below ground surface. The samples were taken to Cardinal Laboratories and analyzed for BTEX, TPH (GRO and DRO), and Chlorides. Laboratory analysis for SP1@24" is: GRO – non-detect, DRO – non-detect, and Chlorides – 96 ppm. Laboratory analysis for SP2@30" is: GRO – non-detect, DRO – 87.2 ppm, and Chlorides – 64 ppm. Laboratory analysis for SP3@24" is: GRO – non-detect, DRO – non-detect, and Chlorides – 32 ppm. Laboratory analysis for SP4@30" is: GRO – non-detect, DRO – non-detect, and Chlorides – 96 ppm. BTEX analysis is non-detect for all samples. Laboratory results are located in **Appendix II**. Pictures of the site and the investigation activities are located in **Appendix III**.

On June 3, 2005, BBC personnel returned to the site and attempted to locate visually impacted soil beneath the roadbed using a slide hammer driven tile probe to prevent damage to the newly constructed street. Two attempts were made to locate visually impacted soil beneath the street. Both attempts failed to locate any visually impacted soil.

The laboratory data indicates there are no hydrocarbons or chloride impacts to the soil in excess of threshold concentrations as stipulated in the NMOCD Guidelines For Remediation Of Leak, Spills, and Releases (August 13, 1993).



OXY PERMIAN SHU 27



LEGEND

● Sample point

BBC INTERNATIONAL, INC.

OXY PERMIAN
SHU 27

Date: 6-28-05

Drawn By: JG

Disk:

Sheet 1 of 1 Sheets

Scale: Not to Scale

File Name

**OXY PERMIAN
SHU 27
GPS Coordinates**

SP-1 N. 32° 41.527'
 W. 103° 10.616'

SP-2 N. 32° 41.531'
 W. 103° 10.617'

SP-3 N. 32° 41.534'
 W. 103° 10.618'

SP-4 N. 32° 41.538'
 W. 103° 10.619'

**South
Stake** N. 32° 41.527'
 W. 103° 10.616'

**North
Stake** N. 32° 41.536'
 W. 103° 10.618'

APPENDIX II

CARDINAL LABORATORIES **Laboratory Results**

Carlton Street Sewer Line ROW

June 2005

Oxy Permian Ltd
Midland, Texas

Prepared by:
BBC International, Inc.



ARDINAL LABORATORIES

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

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

ANALYTICAL RESULTS FOR
BBC INTERNATIONAL, INC.
ATTN: CLIFF BRUNSON
P.O. BOX 805
HOBBS, NM 88241
FAX TO: (505) 397-0397

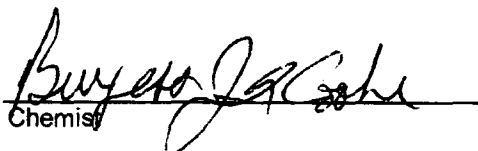
Receiving Date: 05/27/05
Reporting Date: 06/06/05
Project Owner: OXY PERMIAN
Project Name: SHU-27
Project Location: HOBBS, NM

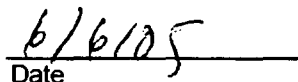
Sampling Date: 05/27/05
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: AH
Analyzed By: BC/AH

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	CI* (mg/Kg)
ANALYSIS DATE		06/04/05	06/04/05	05/31/05
H9828-1	SP1 @ 24"	<10.0	<10.0	96
H9828-2	SP2 @ 30"	<10.0	87.2	64
H9828-3	SP3 @ 24"	<10.0	<10.0	32
H9828-4	SP4 @ 30"	<10.0	<10.0	96
Quality Control		800	743	950
True Value QC		800	800	1000
% Recovery		100	92.9	95.0
Relative Percent Difference		1.5	1.9	5.0

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; CI: Std. Methods 4500-CI B

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


Chemist


Date

H9828T.XLS

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. In no event shall 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 reasons or otherwise.



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

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

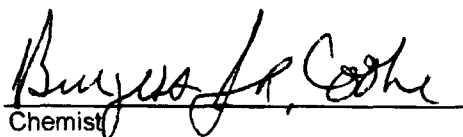
ANALYTICAL RESULTS FOR
BBC INTERNATIONAL, INC.
ATTN: CLIFF BRUNSON
P.O. BOX 805
HOBBS, NM 88241
FAX TO: (505) 397-0397

Receiving Date: 05/27/05
Reporting Date: 06/06/05
Project Owner: OXY PERMIAN
Project Name: SHU-27
Project Location: HOBBS, NM

Sampling Date: 05/27/05
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: AH
Analyzed By: BC

LAB NUMBER	SAMPLE ID	BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL BENZENE (mg/Kg)	TOTAL XYLENES (mg/Kg)
ANALYSIS DATE		06/04/05	06/04/05	06/04/05	06/04/05
H9828-1	SP1 @ 24"	<0.005	<0.005	<0.005	<0.015
H9828-2	SP2 @ 30"	<0.005	<0.005	<0.005	<0.015
H9828-3	SP3 @ 24"	<0.005	<0.005	<0.005	<0.015
H9828-4	SP4 @ 30"	<0.005	<0.005	<0.005	<0.015
Quality Control		0.090	0.087	0.090	0.281
True Value QC		0.100	0.100	0.100	0.300
% Recovery		90.1	86.6	90.4	93.7
Relative Percent Difference		6.8	12.2	8.9	6.6

METHOD: EPA SW-846 8260


Chemist

6/6/05
Date

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ARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603, 101 East Marland, Hobbs, NM 88240
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

Page 1 of 1

ANALYSIS REQUEST									
BILL TO									
Company Name: BBC International, Inc Project Manager: Cliff Branson Address: 1324 W. Macdonald City: Hobbs State: N.M. Zip: 88240 Phone #: (505) 397-6388 Fax #: (505) 397-0397 Project #: --- Project Owner: Oxy Permian Project Name: SUV-27 Project Location: Hobbs N.M. Sampler Name: Ken Swinney									
P.O. #: Company: Alt: Address: City: State: Phone #: Fax #: Zip:									
Lab I.D. Sample I.D.									
H9888 SPI @ 24" -2 SPI @ 30" -3 SPI @ 24" -4 SPI @ 30"									
# CONTAINERS GROUNDWATER WASTEWATER SOIL CRUDE OIL SLUDGE OTHER:									
ACID/BASE ICE / COOL OTHER:									
PRESERVE SAMPLING DATE TIME									
5-27-05 10:15 5-27-05 11:10 5-27-05 11:43 5-27-05 12:30									
805-10 Chile OTEX									
30 days post test at the rate of \$14 per annum from the original date of service, plus all costs of collection, including delivery's fees.									
TERMS AND CONDITIONS: Laboratory will be charged an additional \$1000 fee.									
Received By: Ken Swinney Date: 5-27-04 Time: 11:45 Relinquished By: Logan H Date: 5-27-04 Time: 14:57 Delivered By: (Circle One) Sampler - UPS - Bus - Other:									
Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Phone #: Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Fax #: REMARKS:									
CHECKED BY: Ken Swinney (Initials) Sample Condition: <input type="checkbox"/> Good <input type="checkbox"/> Intact <input type="checkbox"/> Yes <input type="checkbox"/> No									

APPENDIX III

SITE PHOTOGRAPHS

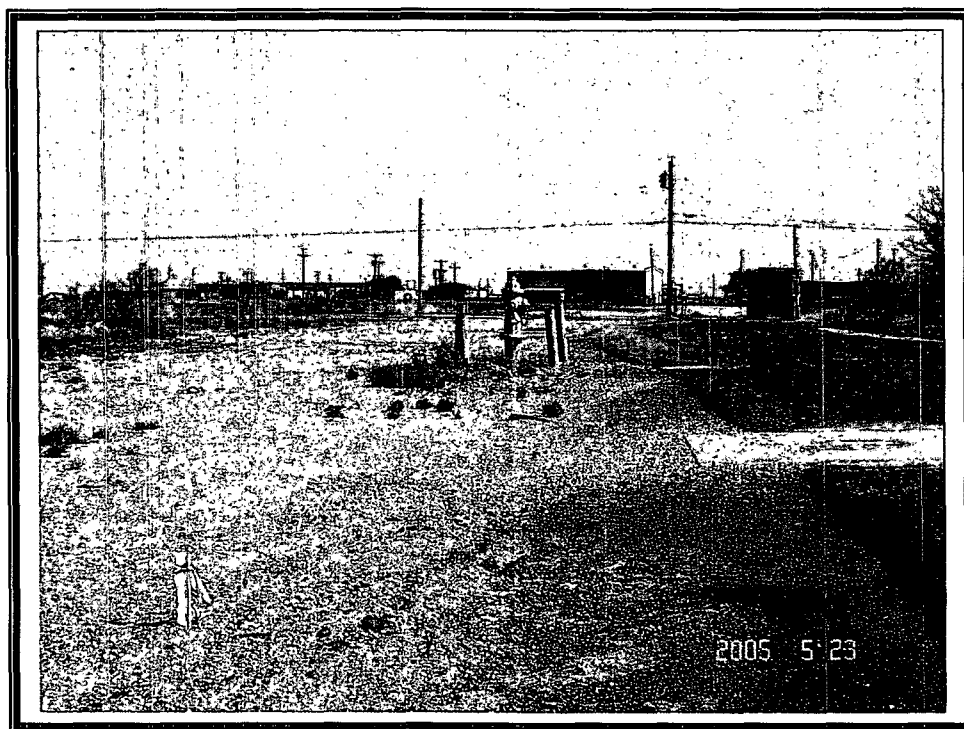
Carlton Street Sewer Line ROW

June 2005

**Oxy Permian Ltd
Midland, Texas**

**Prepared by:
BBC International, Inc.**

SHU 27 5-23-05

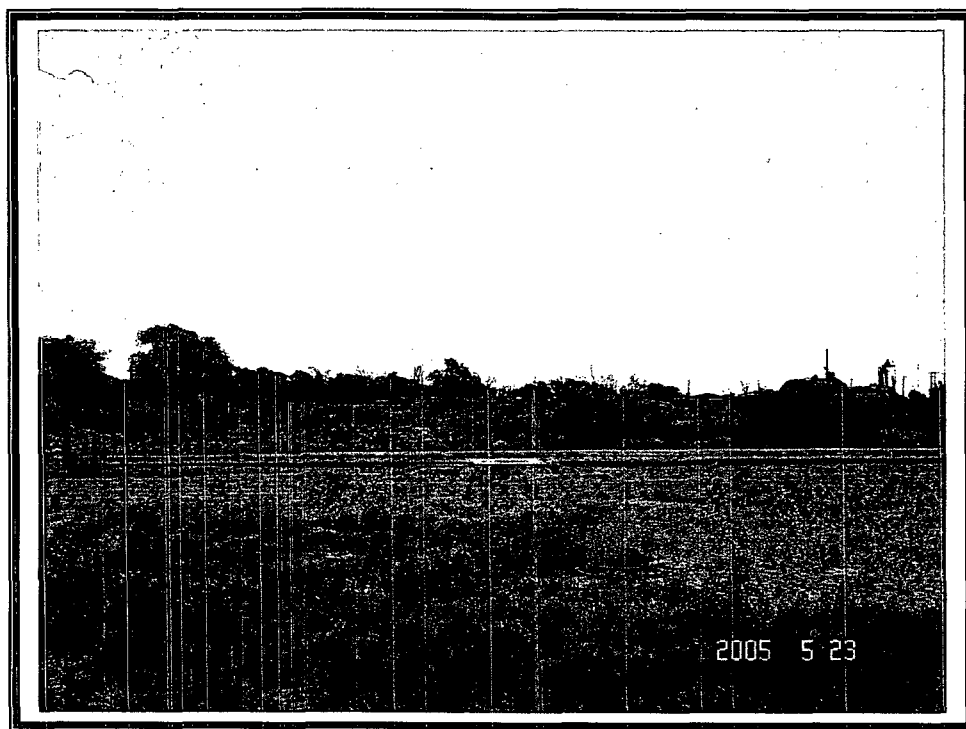


South end of sampling area west side of Carlton Street



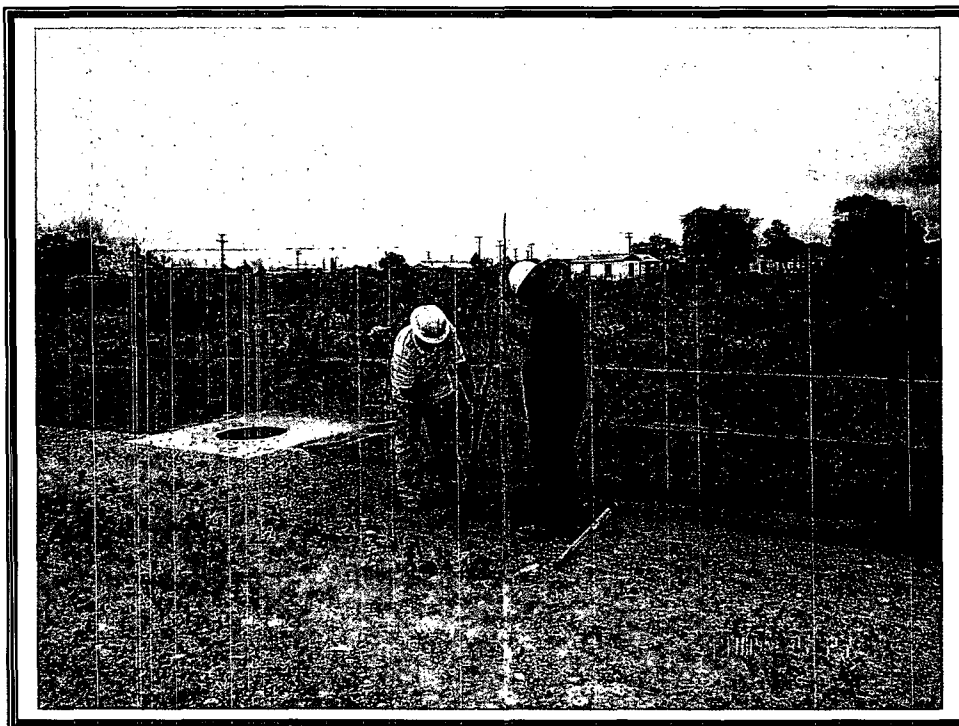
North end of sample area west side of Carlton Street

SHU 27 5-23-05



Sample area looking east

SHU 27
Sampling Event 5-27-05



Sample point 1

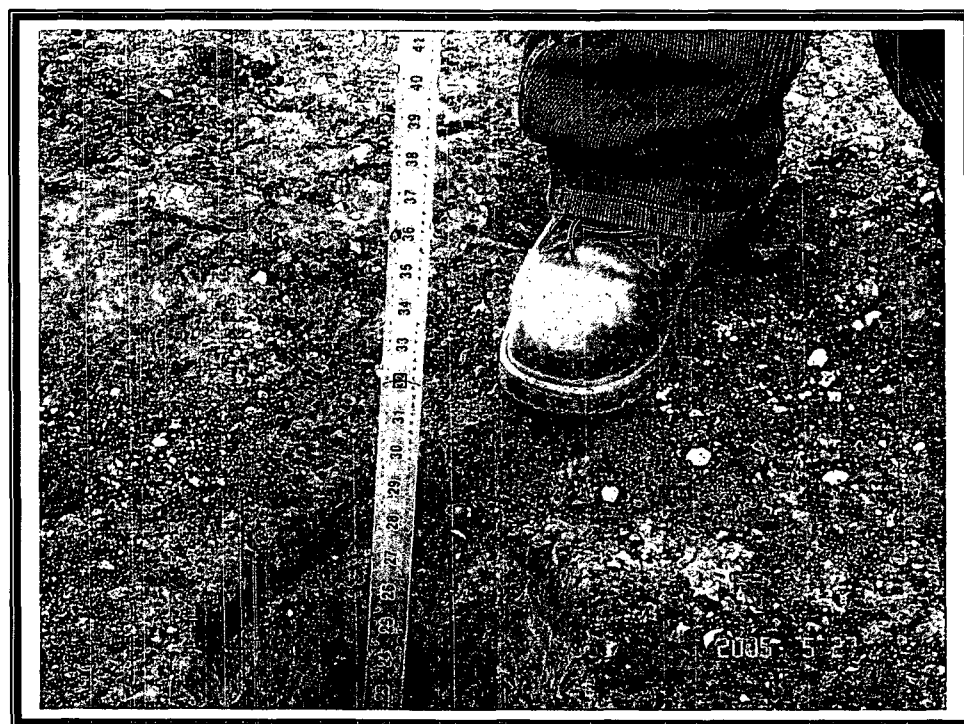


Sample point 1

SHU 27
Sampling Event 5-27-05

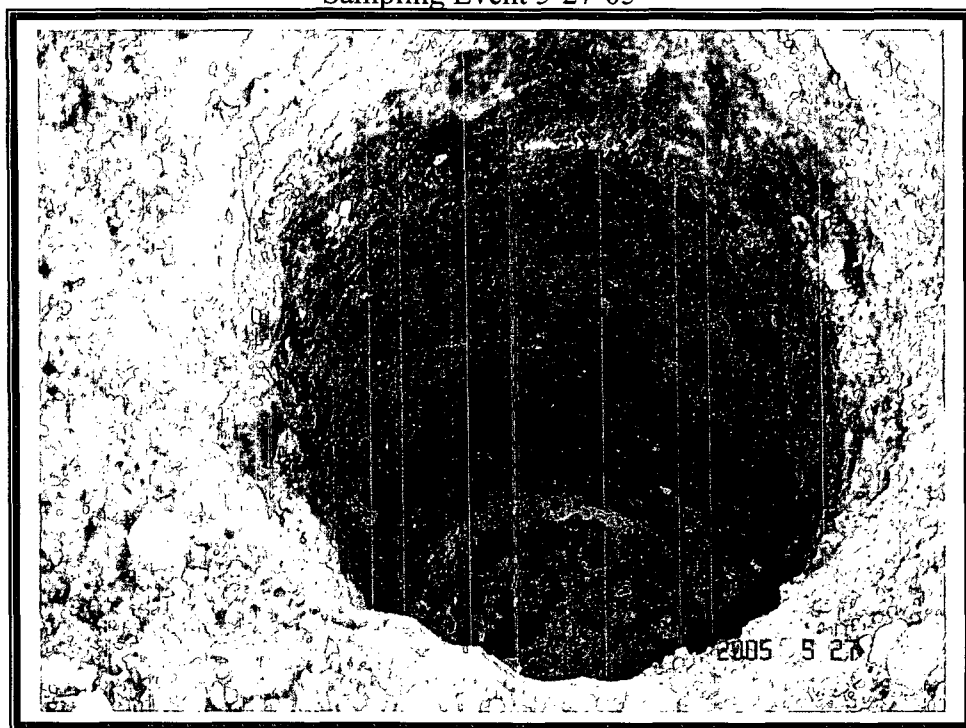


Sample point 1



Sample point 1

SHU 27
Sampling Event 5-27-05



Sample point 1

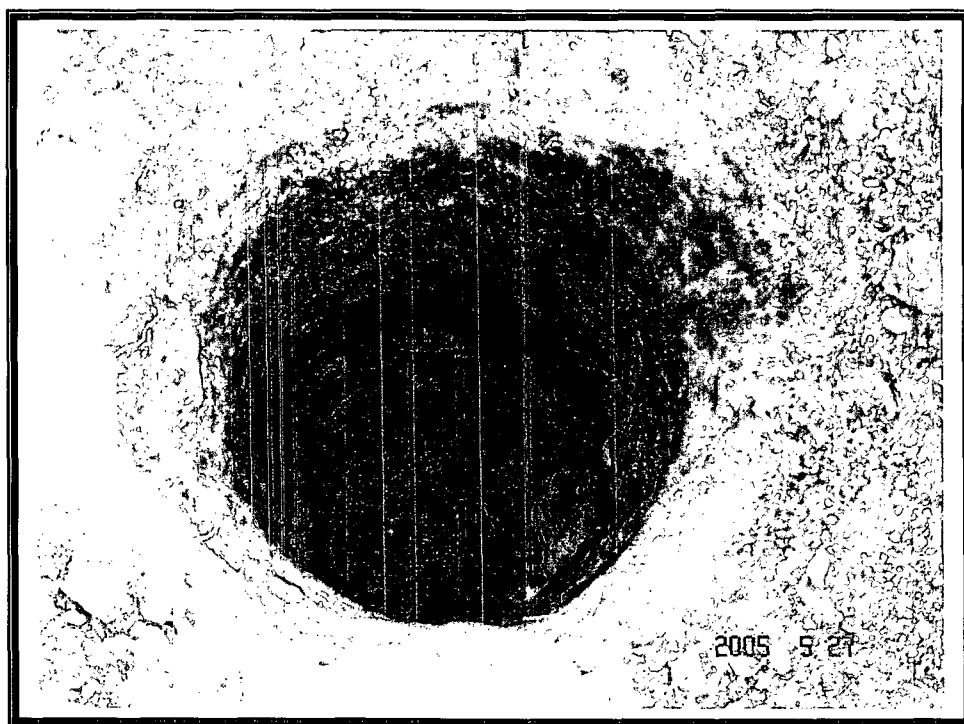


Drilling from 24 to 30 inches at Sample point 1

SHU 27
Sampling Event 5-27-05



Sample point 1

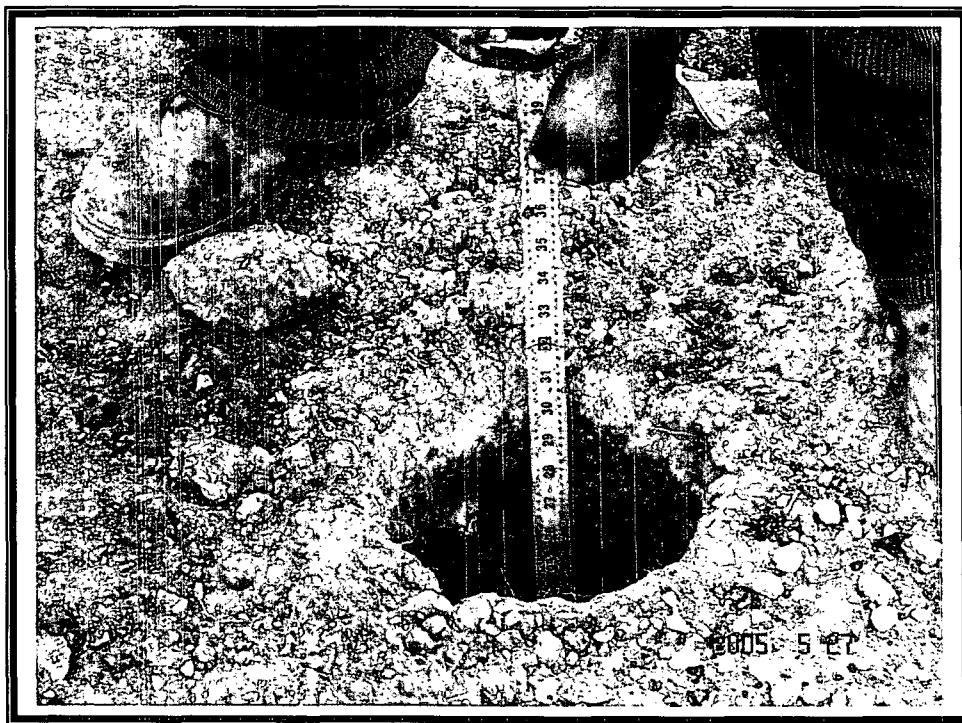


Sample point 1

SHU 27
Sampling Event 5-27-05

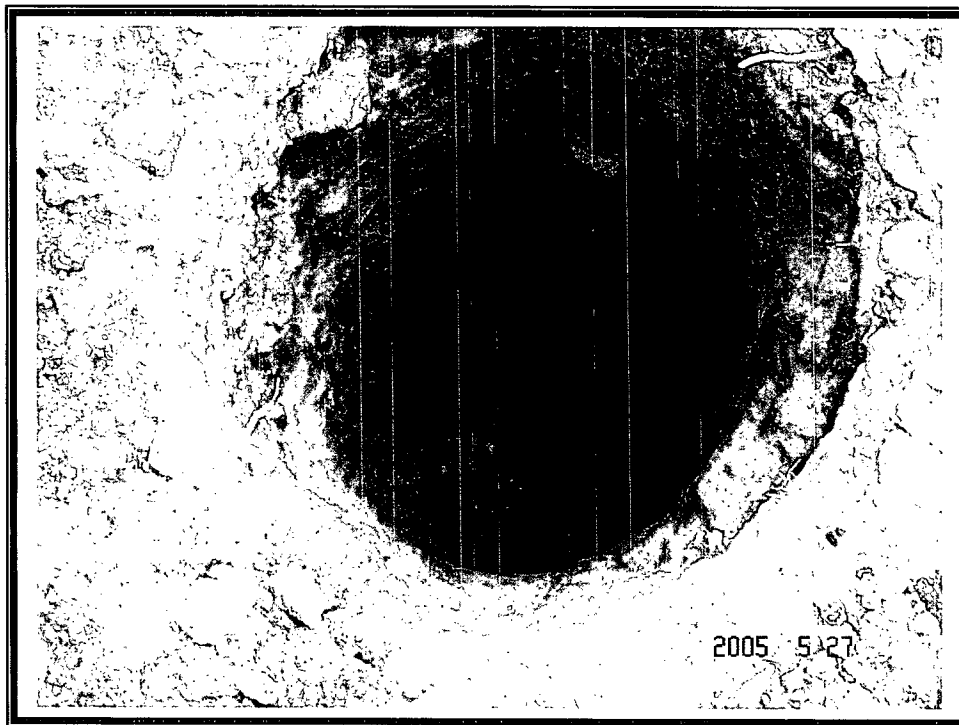


Sample point 3

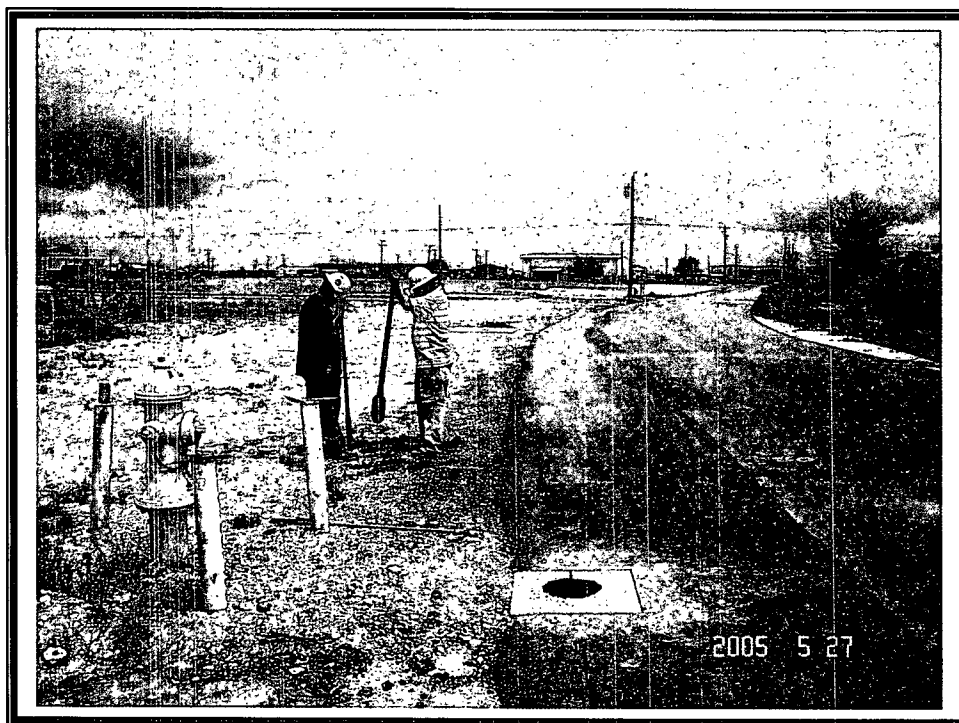


Sample point 3

SHU 27
Sampling Event 5-27-05

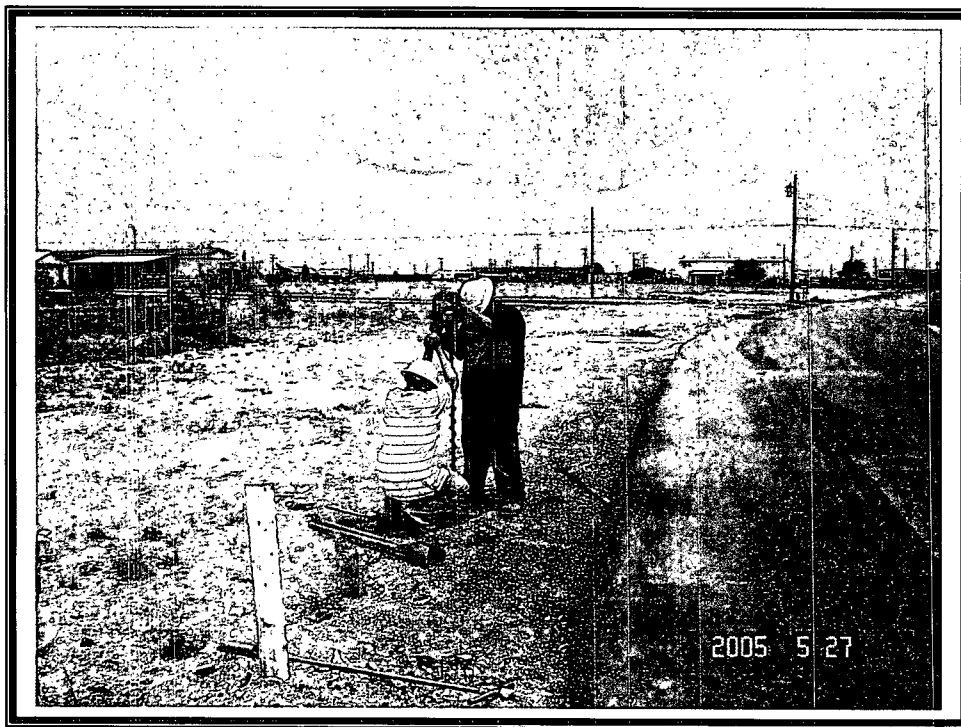


Sample point 3

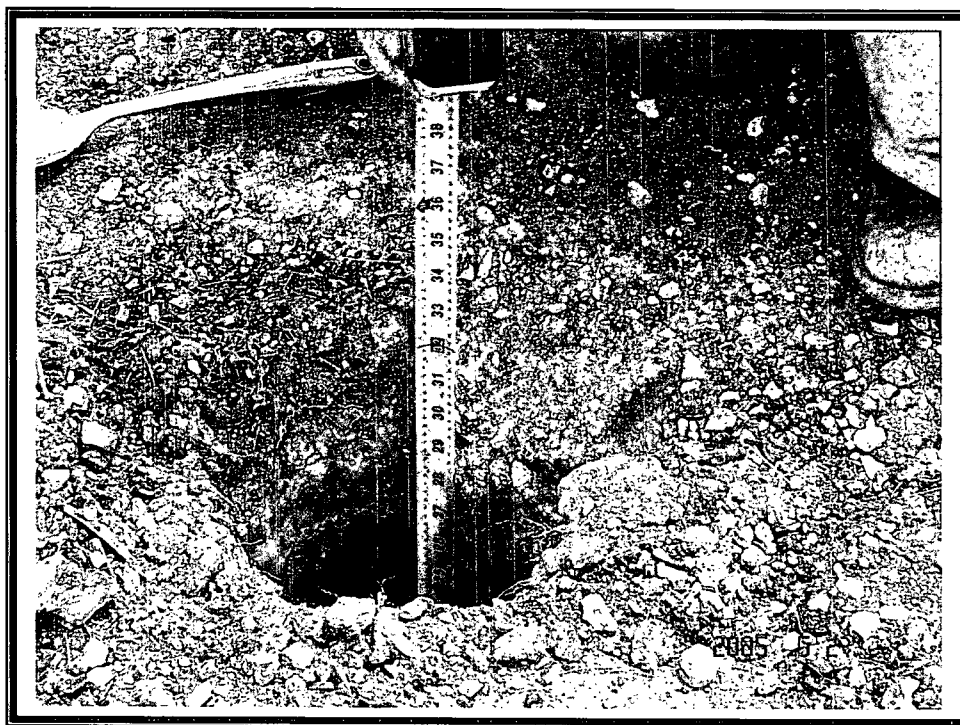


Sample point 4

SHU 27
Sampling Event 5-27-05

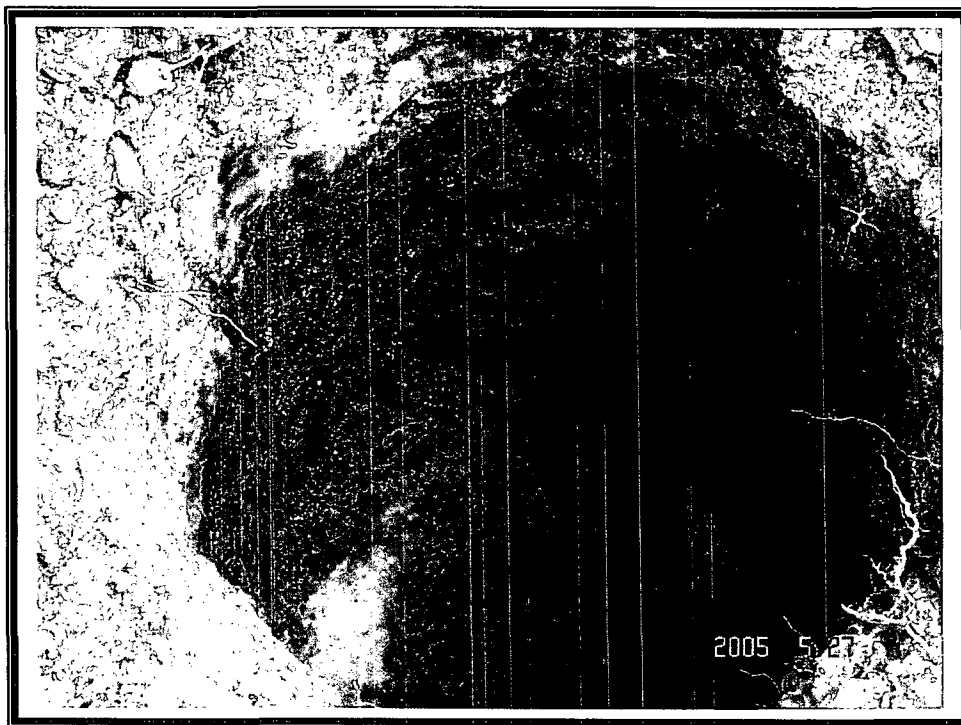


Sample point 4



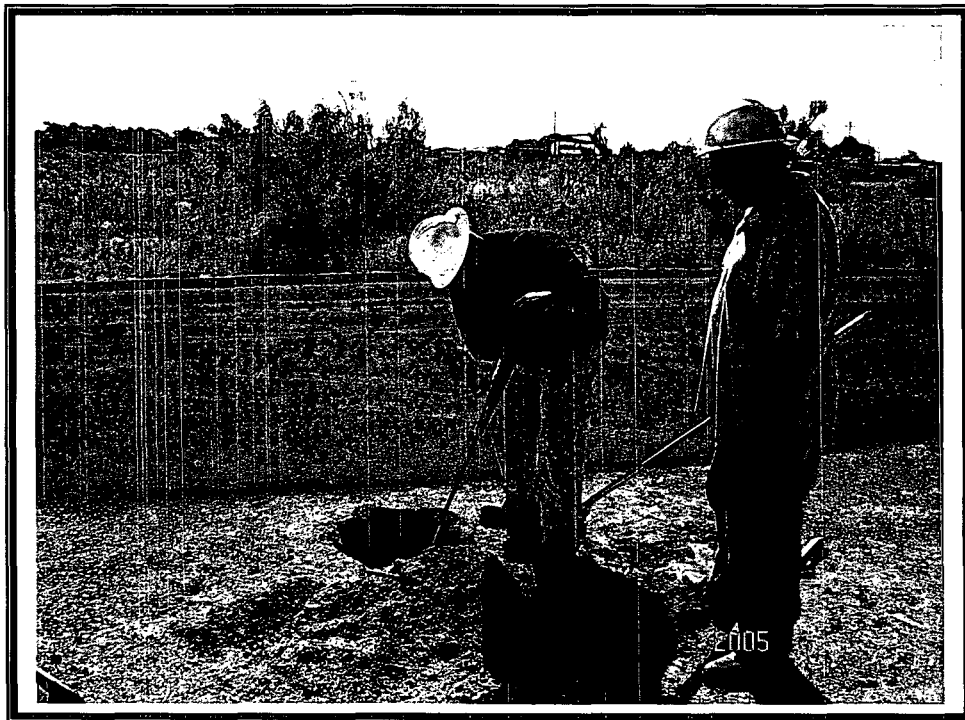
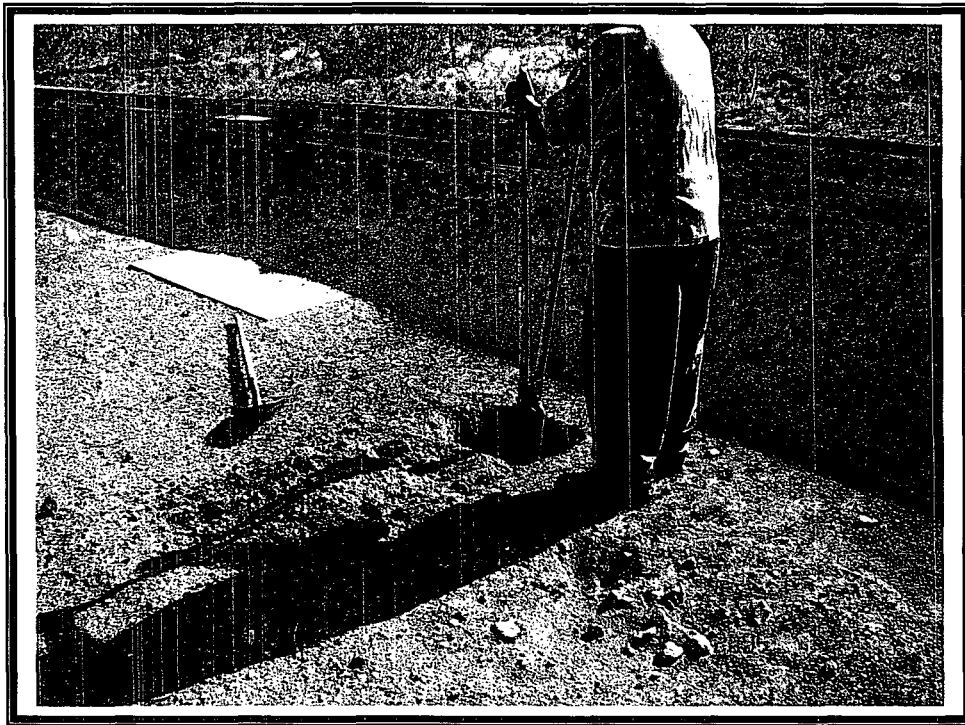
Sample point 4

SHU 27
Sampling Event 5-27-05



Sample point 4

Sampling on June 3, 2005



Sampling on June 3, 2005

