



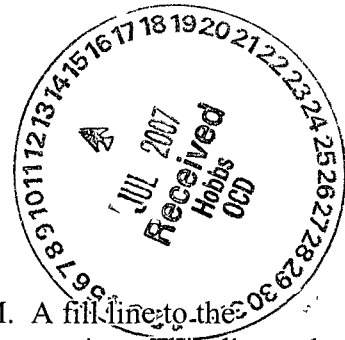
Occidental Permian Limited Partnership

July 10, 2007

New Mexico Oil Conservation Division
District I
1625 N. French Drive
Hobbs, New Mexico 88240

Attn: Environmental Engineering

RE: Final Closure Letter
Turner Tract 2 Central Tank Battery
UL 'D', Sec. 10, T-19-S, R-38-E

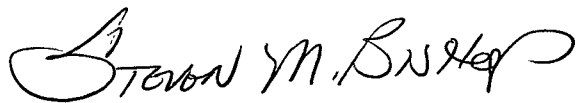


Leak occurred on 04/18/2007, and was discovered at 03:00 PM. A fill line to the production tank at the tank battery was left closed by the operator, after gauging. This diverted all fluid to the water tank, running the water tank over. The spilled fluid ran west to the fence of the battery and for 150' along the fence. An estimated 10 barrels of crude oil was spilled, and 8 bbls of oil was recovered via vacuum truck. Occidental Permian LTD. is the surface owner and utilizes the area for oil and gas production only. Depth to ground water according to State Engineers Office is an average of 48', for all wells in the area, giving this spill site a ranking of 20. Remediation of the spill site was as follows:

1. Affected area was excavated and soil was disposed of at Sundance Services, Parabo Facility near Eunice, NM. Approximately 48 yards were disposed of.
2. Soil samples were gathered from affected area. Soil samples taken on 06/28/2007, see map for sample point locations.
3. NMOCD guidelines were used to insure entire site is in compliance with guidelines.
4. Any soils removed will be replaced with clean fresh soil as needed. Will backfill with fresh caliche.
5. Soil analysis data are attached to this final closure letter. See Cardinal Labs soil analysis data dated 7/02/07 and 7/03/07.

Soil analysis data shows elevated readings for TPH and slight hits for BTEX in the spill site area and around tanks. Oxy is aware that there have been past problems in the facility and believes that this is due to those problems. Due to the minimal amount spilled Oxy believes that the new spill has been addressed and cleaned. The effected area has trunk lines, load lines and the lines serving the tank battery. Oxy feels that it is not safe to pursue this leak any further without a complete dismantling of the tank battery. This area will be documented and cleaned upon abandonment of the facility. Clean fresh caliche will be used to dress the area back up. No further work is planned, at this time, for this site.

If you have any questions, or if I can be of further assistance, please contact me at (505) 397-8251.

A handwritten signature in black ink that reads "Steven M. Bishop". The signature is fluid and cursive, with the first name "Steven" being more prominent than the last name "Bishop".

Steven M. Bishop
HES Tech/WSAH RMT
Steven_Bishop@oxy.com
(505) 397-8251

Attachments: Final C-141
Hand drawn map of spill site showing sample points
Cardinal Lab soil analysis data dated 7/02/2007 and 7/03/2007

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 Occidental Permian Limited Partnership | Contact Steven M. Bishop | |
| Address 1017 West Stanolind Road, Hobbs, N.M. 88240 | Telephone No. (505) 397-8251 | |
| Facility Name Turner Tract 2 Central T/B | Facility Type Production | |
| Surface Owner Oxy Permian LTD | 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 |
| 'D' | 10 | 19-S | 38-E | | | | | Lea |

Latitude N32°40'47.05" Longitude 103°08'33.64"

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release Crude Oil | Volume of Release 10 BBLs | Volume Recovered 8 BBLs |
| Source of Release Water Tank | Date and Hour of Occurrence 04/18/2007 03:00PM | Date and Hour of Discovery 04/18/2007 03:00PM |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? N/A | |
| By Whom? N/A | Date and Hour N/A | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. N/A | |

If a Watercourse was Impacted, Describe Fully * N/A

Describe Cause of Problem and Remedial Action Taken * Fill line on production tanks at the Turner Tract 2 Central Tank Battery was left closed after gauging by operator. All incoming fluid was diverted to water tank, running water tank over. Opened production line to production tanks to stop overflow. Picked up all fluid possible via vacuum truck.

Describe Area Affected and Cleanup Action Taken.* All fluid remained inside fenced area inside berms. Fluid ran approximately 150' along fence. All fluid possible was picked up via vacuum truck recovering approximately 8 bbls of oil. Tanks were washed off, and clean soil was placed over spill area until remediation could be started. NMOCD spill guidelines were used for site remediation. Unable to completely clean affected area without complete dismantling of tank battery and removal of trunk lines. Oxy feels that new spill has been cleaned and that older contamination has been reached from previous problems with facility. Area will be documented and cleaned upon abandonment of tank battery.

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: <u>Steven M. Bishop</u> | OIL CONSERVATION DIVISION | |
| Printed Name: Steven M. Bishop | Approved by District Supervisor: <u>[Signature]</u> | |
| Title: HES Technician | Approval Date: <u>7.18.07</u> | Expiration Date: _____ |
| E-mail Address: Steven_Bishop@oxy.com | Conditions of Approval: <u>RBC -</u> | Attached <input type="checkbox"/> |
| Date: 07/10/2007 | Phone: (505) 397-8251 | |

* Attach Additional Sheets If Necessary

RP 1294



ARDINAL LABORATORIES

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

PHONE (505) 393-2926 • 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: 06/28/07
Reporting Date: 07/02/07
Project Owner: OXY
Project Name: TURNER TRACT 2 CENTRAL T/13
Project Location: HOBBS, NM

Sampling Date: 06/28/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: AB
Analyzed By: AB

| LAB NUMBER | SAMPLE ID | BENZENE (mg/Kg) | TOLUENE (mg/Kg) | ETHYL BENZENE (mg/Kg) | TOTAL XYLENES (mg/Kg) |
|-----------------------------|----------------|--------------------|--------------------|-----------------------------|-----------------------------|
| ANALYSIS DATE | | 06/29/07 | 06/29/07 | 06/29/07 | 06/29/07 |
| H12834-1 | SAMPLE POINT 1 | 0.034 | 0.429 | 0.354 | 1.37 |
| H12834-2 | SAMPLE POINT 2 | 0.011 | 0.127 | 0.067 | 1.40 |
| H12834-3 | SAMPLE POINT 3 | <0.004 | <0.004 | <0.004 | <0.012 |
| H12834-4 | SAMPLE POINT 4 | <0.004 | <0.004 | <0.004 | <0.012 |
| H12834-5 | BACKGROUND | <0.002 | <0.002 | <0.002 | <0.006 |
| Quality Control | | 0.112 | 0.105 | 0.105 | 0.322 |
| True Value QC | | 0.100 | 0.100 | 0.100 | 0.300 |
| % Recovery | | 112 | 105 | 105 | 107 |
| Relative Percent Difference | | 1.2 | 2.8 | 3.0 | 3.1 |

METHOD: EPA SW-846 8021B

Burgess A. Roche
Chemist

7/02/07
Date

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ARDINAL LABORATORIES

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

PHONE (505) 393-2325 • 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: 06/28/07
Reporting Date: 07/03/07
Project Owner: OXY
Project Name: TURNER TRACT 2 CENTRAL T/13
Project Location: HOBBS, NM

Sampling Date: 06/28/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: AB
Analyzed By: LB/HM

| LAB NUMBER | SAMPLE ID | GRO (C ₆ -C ₁₂) (mg/Kg) | DRO (C ₁₂ -C ₂₈) (mg/Kg) | CI* (mg/Kg) |
|-----------------------------|----------------|--|---|----------------|
| | | (mg/Kg) | (mg/Kg) | (mg/Kg) |
| ANALYSIS DATE | | 06/29/07 | 06/29/07 | 06/29/07 |
| H12834-1 | SAMPLE POINT 1 | 1195 | 2520 | 16 |
| H12834-2 | SAMPLE POINT 2 | 1190 | 2920 | 144 |
| H12834-3 | SAMPLE POINT 3 | 605 | 2660 | 32 |
| H12834-4 | SAMPLE POINT 4 | 946 | 2230 | <16 |
| H12834-5 | BACKGROUND | <25.0 | <25.0 | 80 |
| Quality Control | | 1130 | 870 | 500 |
| True Value QC | | 1000 | 1000 | 500 |
| % Recovery | | 113 | 87.0 | 100 |
| Relative Percent Difference | | 11.4 | 9.9 | <0.1 |

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

7/3/07
Date

H12834A BBC

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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

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 1 of 1

| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|----------------|-------------------------|--------------|---|------------|------|-----------|--------|----------|------------|------------|---------|------|-------|---|---|---|--|--|--|--|--|--|--|--|--|--|
| Company Name: <u>CCC International</u> | | BILL TO | | ANALYSIS REQUEST | | | | | | | | | | | | | | | | | | | | | | | |
| Project Manager: <u>Cliff Brunson</u> | | P.O. #: | | <div style="display: flex; flex-direction: column; align-items: center;"> <div>TPH 8015m (SRO, PRO)</div> <div>BTEX</div> <div>CL-</div> </div> | | | | | | | | | | | | | | | | | | | | | | | |
| Address: <u>1324 W. Marland</u> | | Company: | | | | | | | | | | | | | | | | | | | | | | | | | |
| City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>88240</u> | | Attn: <u>SAVE</u> | | | | | | | | | | | | | | | | | | | | | | | | | |
| Phone #: <u>(505) 397 6388</u> Fax #: <u>(505) 397 0397</u> | | Address: | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project #: _____ Project Owner: <u>OCY</u> | | City: | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Name: <u>Turner Tract 2 Central T/B</u> | | State: _____ Zip: _____ | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Location: <u>Hobbs NM</u> | | Phone #: | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sampler Name: <u>Roger Hernandez</u> | | Fax #: | | | | | | | | | | | | | | | | | | | | | | | | | |
| FOR LAB USE ONLY | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Lab I.D. | Sample I.D. | (G)RAB OR (C)OMP. | # CONTAINERS | MATRIX | | | | | PRESERV. | | SAMPLING | | | | | | | | | | | | | | | | |
| | | | | GROUNDWATER | WASTEWATER | SOIL | CRUDE OIL | SLUDGE | OTHER : | ACID/BASE: | ICE / COOL | OTHER : | DATE | TIME | | | | | | | | | | | | | |
| H128341 | Sample point 1 | G | 1 | | | ✓ | | | | ✓ | | | 6/28 | 11:00 | ✓ | ✓ | ✓ | | | | | | | | | | |
| -2 | sample point 2 | G | 1 | | | ✓ | | | | ✓ | | | 6/28 | 11:10 | ✓ | ✓ | ✓ | | | | | | | | | | |
| -3 | sample point 3 | G | 1 | | | ✓ | | | | ✓ | | | 6/28 | 11:25 | ✓ | ✓ | ✓ | | | | | | | | | | |
| -4 | sample point 4 | G | 1 | | | ✓ | | | | ✓ | | | 6/28 | 11:38 | ✓ | ✓ | ✓ | | | | | | | | | | |
| -5 | Background | G | 1 | | | ✓ | | | | ✓ | | | 6/28 | 11:50 | ✓ | ✓ | ✓ | | | | | | | | | | |

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Tariffs and Commissions: Tariffs and Commissions will be charged on all accounts more than 30 days past due at the rate of 2.5% per annum from the original date of invoice, and all costs of collection, including attorney's fees.

| | | | | | |
|--|--|---|--------------------------|--|----------------|
| Sampler Relinquished: <u>Roger Hernandez</u> | | Date: <u>6/28/07</u> | Received By: | Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No | Add'l Phone #: |
| | | Time: <u>12:30</u> | | Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No | Add'l Fax #: |
| Relinquished By: | | Date: | Received By: (Lab Staff) | REMARKS: | |
| | | Time: <u>3:45</u> | <u>ASB</u> | | |
| Delivered By: (Circle One) | | Sample Condition | | CHECKED BY: | |
| Sampler - UPS - Bus - Other: | | Cool Intact | | (Initials) | |
| | | <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes | | | |
| | | <input type="checkbox"/> No <input type="checkbox"/> No | | | |

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476.

SPILL MAP

PLEASE DRAW SKETCH OF SPILL AND INDICATE WHERE SPILL ORIGINATED.

4/18/07 TURNER TR 2 LEASE
HUMAN ERROR TANK OVERFLOW
'D' SEC. 10, T-19-S, R-38-E
N32°40'47" W103°03'33.64"

Spill 10 Bbl x 8 BW
REC 8 Bbl x 8 BW

Ran over water tank

