30-025-06396



Internal Incident Report – Spill/Release

HOBBS OCD

AUG 0 2 2012

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Location: WBDU #138 Production Area: Eunice North

District: New Mexico

Date: 08/01/12

Time: 7:55pm

One Line Summary: Internal corrosion deteriorated the 2" line in the middle of the Victaulic clamp groove.

Full summary: As the pumper was going around his wells to shut them in due to gas plant shut-in, he spotted the leak on the WBDU #138. This morning the mechanic disconnected the corroded pipe and will be replacing with stainless steel pipe. This corroded pipe was plastic coated with tongue and groove. A vacuum truck was dispatched to the location to remove all standing fluid. Approximately 80bbls of produced water was released and approximately 70bbls of produced water was recovered. The release affected the location pad and the pasture area. The total affected area was 14,583 square feet. A backhoe was dispatched immediately to spread out clean soil to cover the remaining fluid on the ground. A one-call has been placed and the initial assessment is being conducted at this time.

Root cause of incident:

Corrective Actions:

• All piping will be replaced with stainless steel pipe on all injection wells within the WBDU Unit.

Reported by: Natalie Gladden (575-390-4186)



