



Occidental Permian Limited Partnership

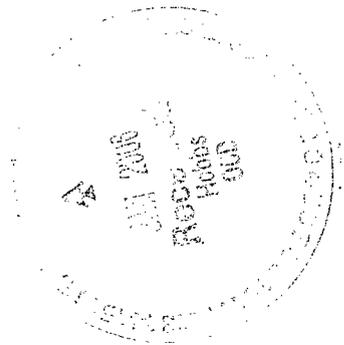
January 17, 2006

Steve Bishop

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

Attn: Environmental Engineering

RE: Final Closure Letter
North Hobbs Unit 31-341 3" Injection Line
UL 'J', Sec. 31, T-18-S, R-38-E



Leak occurred on 10/26/2005, at approximately 09:30 AM. A 3" zaplock steel injection line used to transfer injection water from North Hobbs Unit Satellite 31 EC to North Hobbs Unit Injection Well #31-341 developed a leak at a connection causing spill. Valves on both ends of the line were shut to isolate leak. The area affected by this spill is an area measuring approximately 60' X 150', in the pasture south and east of the spill site, where approximately 20 flowlines enter NHU Satellite #31EC. An estimated 23 barrels of injection water was spilled, no oil was spilled. All fluid possible was picked up via vacuum truck, 20 barrels was recovered. Mr. Kress Jones is the surface owner. Depth to ground water according to State Engineers Office is an average of 45', for all wells in the area, giving this spill site a ranking of 20. Remediation of the spill site was as follows:

1. Piping was excavated and repaired.
2. Soil samples were gathered from affected area.
3. NMOCD guidelines were used to insure entire site is in compliance with guidelines.
4. No soils were removed.
5. Soil analysis data are being submitted with this closure letter.
6. Affected area will be monitored for vegetation impact, expect minimal impact due to water.

Affected area was sampled on 01-11-2006, please see attached Cardinal Laboratories analytical results dated 01/12/2006. Hand drawn map, also attached, of the affected area shows the sample points of the composite sample taken. Affected area is an area that has many lines both on the surface and buried to the south of North Hobbs Unit Satellite #31EC. While chlorides show to be slightly elevated we expect minimal damage due to injection water. Due to the many lines in the area we feel excavation could cause more damage than good if another line

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is struck. Affected area will be monitored, but we expect minimal damage due to loss of the small amount of injection water. No further work is anticipated 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 letters are cursive and somewhat stylized, with the first letter 'S' being particularly large and looping.

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

Attachments: Final C-141
Hand drawn map of spill site
Analytical data from Cardinal Laboratories, dated 01/12/2006

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

PKS
inc 2-22-06

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 North Hobbs Unit 31-341 Injection Line	Facility Type Production Production

Surface Owner Kress Jones	Mineral Owner	Lease No.
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API # 2002307500000

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	31	18-S	38-E					LEA

Latitude 32°42'10.60" Longitude 103°11'03.70"

NATURE OF RELEASE

Type of Release Injection Water	Volume of Release 23 Bbls	Volume Recovered 20 Bbls
Source of Release 3" Injection line	Date and Hour of Occurrence 10/26/2005 09:30 AM	Date and Hour of Discovery 10/26/2005 09:30 AM
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. * A 3" zaplock injection line from North Hobbs Unit Satellite #31EC to North Hobbs Unit Well # 31-341 parted at a connection causing spill. Valves on both ends of the line were shut to contain leak. All fluid possible was picked up via vacuum truck, recovering 20 bbls of injection water.

Describe Area Affected and Cleanup Action Taken.*The leak is approximately 120 feet south of the North Hobbs Unit Satellite #31EC. The area affected is approximately 60' X 150' south and east of the leak site, in pature. There are approximately 20 flowlines on top of the ground where the spill occurred. All fluid possible was picked up by truck. Pipe was excavated and repaired and NMOCD guidelines for spill were used to insure remediation of the area.

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>STEVEN M. BISHOP</i>	OIL CONSERVATION DIVISION	
Printed Name: Steven M. Bishop	Approved by District Supervisor:	
Title: HES Technician	Approval Date:	Expiration Date:
E-mail Address: Steven_Bishop@oxy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 01/17/2006 Phone: (505) 397-8251		

* Attach Additional Sheets If Necessary

incident - NPAC0605434081
application - NPAC0605434393

SPILL MAP

0-26-05

11111 31-3011111111111111

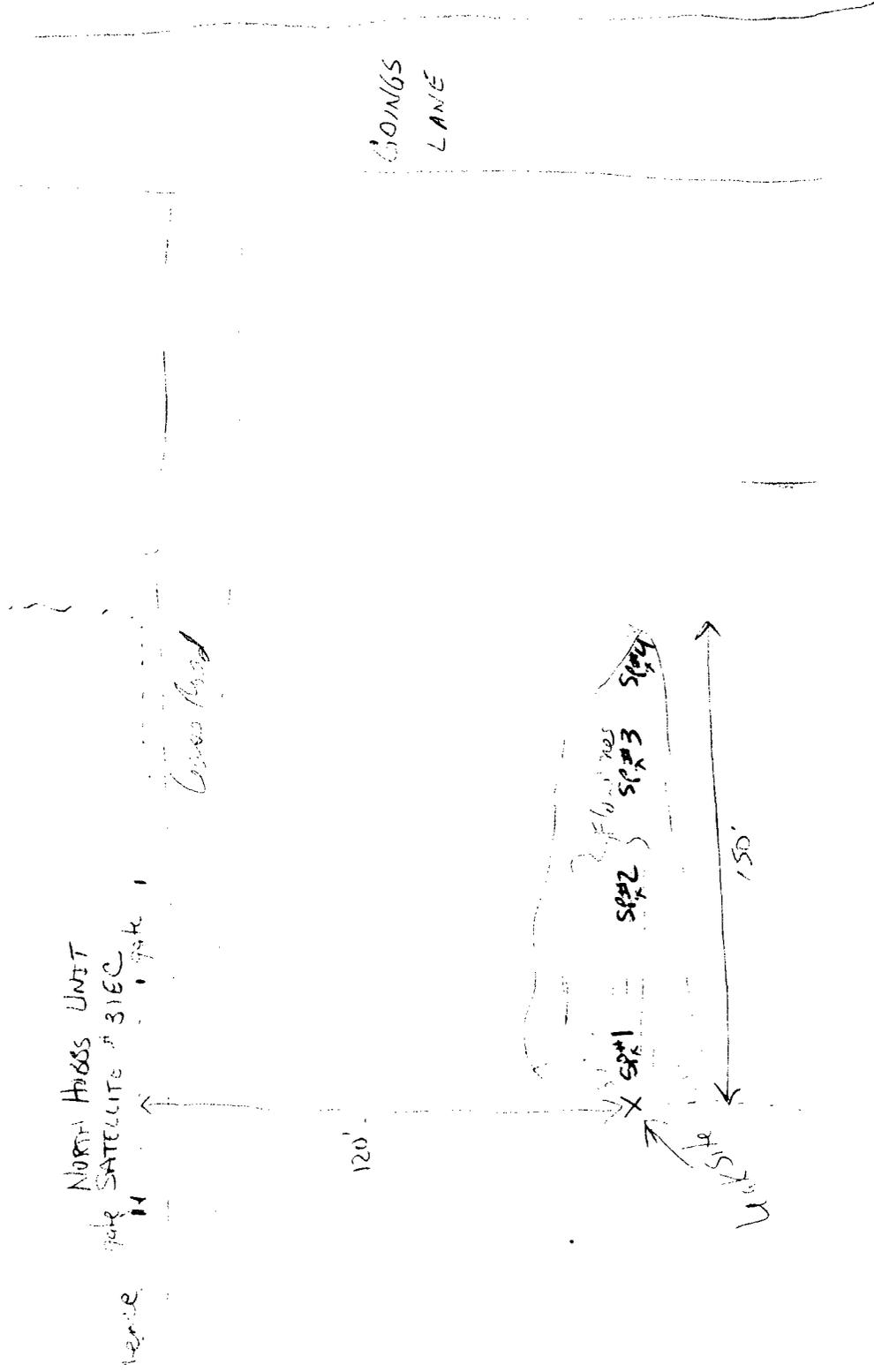
To SAT 31 EC

23 BW Spill, 20 Bus Recovered

41111 Sec. 31, T-18-S, R-38-E

PLEASE DRAW SKETCH OF SPILL AND INDICATE WHERE SPILL ORIGINATED.

N 32° 42' 10.6" W 103° 11' 03.70"



SP = Sample points



**ARDINAL
LABORATORIES**

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

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

**ANALYTICAL RESULTS FOR
OCCIDENTAL PERMIAN LTD. PARTNERSHIP
ATTN: STEVE BISHOP
1017 W. STANOLIND ROAD
HOBBS, NM 88240
FAX TO: (505) 397-8204**

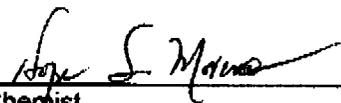
Receiving Date: 01/11/06
Reporting Date: 01/12/06
Project Owner: OXY
Project Name: NHU 31-341 3" INJ. LINE
Project Location: NOT GIVEN

Analysis Date: 01/11/06
~~Sampling Date: 01/11/06~~
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: HM
Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H10585-1	NHU 31-341 INJ. LINE	5534
Quality Control		510
True Value QC		500
% Recovery		102
Relative Percent Difference		2.0

METHOD: Standard Methods 4500-ClB

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



Chemist

01-12-06

Date

H10585

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.