



## Occidental Permian Limited Partnership

March 12, 2007

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

Attn: Environmental Engineering

RE: Remediation Plan  
South Hobbs Unit Central Tank Battery  
UL 'A', Sec. 9, T-19-S, R-38-E

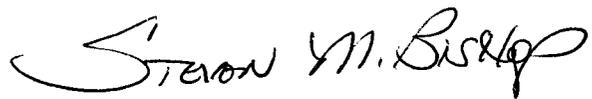


Leak occurred on 03/11/2007, and was discovered at 06:00 PM. A glitch in the communication system that sends alarms to Occidental Permian LTD's answering service, failed to alert field personnel to alarms at the South Hobbs Unit Central T/B. Operators were unaware that the water injection pumps had stopped and water was filling the 10,000 bbl spill over tank. The spill over tank ran over spilling water out of an overflow. The spilled fluid ran across the battery location to the southeast corner where it breached a berm. Water continued down a lease road for about 100 yards to a well location where it stopped in the pasture in an area measuring approximately 20' X 30'. An estimated 150 barrels of produced water was spilled, and 80 bbls of water 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 53', for all wells in the area, giving this spill site a ranking of 10. Remediation of the spill site will be as follows:

1. Affected area will be excavated and soil will be disposed of at Sundance Services, Parabo Facility near Eunice, NM.
2. Soil samples will be gathered from affected area.
3. NMOCD guidelines will be used to insure entire site is in compliance with guidelines.
4. Any soils removed will be replaced with clean fresh soils, where needed.
5. Soil analysis data will be submitted with final closure letter.

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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 written in a cursive style with a large, sweeping initial 'S'.

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

Attachments: Initial C-141  
South Hobbs Unit Water Analysis taken at South Hobbs Unit Central T/B

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 South Hobbs Unit Central T/B	Facility Type Production

Surface Owner Oxy Permian LTD.	Mineral Owner	Lease No.
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**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
'A'	9	19-S	38-E					LEA

Latitude 32°40'48.69" Longitude 103°08'52.64"

**NATURE OF RELEASE**

Type of Release Produced water only	Volume of Release 150 bbls water	Volume Recovered 80 bbls water
Source of Release 10,000 bbl Spill Over Tank	Date and Hour of Occurrence 03/11/2007 06:00 PM	Date and Hour of Discovery 03/11/2007 06:00 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Patricia Caperton (Left Message on Voice Mail)	
By Whom? Steven M. Bishop	Date and Hour 3/11/2007 7:15 PM	
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.\*

Describe Cause of Problem and Remedial Action Taken.\*

There was a glitch in communications system that sends reports alarms to Occidental Permian LTD's answering service, causing some alarms not to be sent to field operators. The water injection pumps at the South Hobbs Unit Central T/B had gone down allowing water tanks to fill and send water to the spill over tank. The communication problem also did not allow the automatic shut downs to work off of the spill over tank resulting in the tank running over. Approximately 150 bbls of produced water was spilled out of the overflow on the spill over tank. The water injection pumps were put back into service stopping the overflow. All fluid possible was recovered via vacuum truck, recovering about 80 bbls of water.

Describe Area Affected and Cleanup Action Taken.\*

Spilled fluid ran to the SE corner of the Central T/B and breached a berm. Water then ran approximately 100 yds down a caliche road to a well pad and into an area approximately 20' X 30' in the pasture. All fluid possible was recovered via vacuum truck. Occidental Permian LTD is surface owner and utilizes area for oil and gas production only. Affected area will be remediated to NMOCD spill guidelines.

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>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Steven M. Bishop	Approved by District Supervisor: <i>[Signature]</i>	
Title: HES Technician	Approval Date: 3-20-07	Expiration Date: 5-20-07
E-mail Address: Steven_Bishop@oxy.com	Conditions of Approval: SUBMIT FINAL C-141 w/ DISPOSITION OF AFFECTED SOILS	Attached <input type="checkbox"/>
Date: 03/12/2007	Phone: (505) 397-8251	

\* Attach Additional Sheets If Necessary  
Facility - PPAC 0708027000  
Incident - NPAC 0708027068

application with spilled  
PPAC 0708027174  
+ RIVE CHLORIDE CONTENT OF

RP#1254

