

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

RECEIVED

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

SEP - 2 2008

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

HOBBS OCL

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. (575) 397-8251
Facility Name South Hobbs Unit #209	Facility Type Production

Surface Owner Mr. Dee A. Cochran	Mineral Owner	Lease No. <u>API 30-025-29522</u>
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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
'C'	8	19-S	38-E					LEA

Latitude N32°40'54.40" Longitude W103°10'14.40"

NATURE OF RELEASE

Type of Release Injection water	Volume of Release <u>200 bbls water</u>	Volume Recovered 0 bbls water
Source of Release 3" fiberglass injection line	Date and Hour of Occurrence 08/25/2008 04:00 PM	Date and Hour of Discovery 08/25/2008 04:00 PM
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?	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.*

Describe Cause of Problem and Remedial Action Taken.* Landowner discovered a leak just north east of South Hobbs Unit Well #119. Landowner originally called DCP Midstream since it was by a DCP blow down. Oxy operators were called Monday 08/25/2008 evening to see if Oxy had lines close. Operators discovered the line went to South Hobbs Unit Well #209. Operators shut valves on injection header inside building #9 going to South Hobbs Unit Injection Well #209, and wellhead valves to contain leak. The well was not taking water at the time so leak occurred due to an automated valve at the header leaking. Valves were shut before and after the automated valve.

Describe Area Affected and Cleanup Action Taken.* Spilled fluid ran approximately 600' to the west of DCP blow down along a pipeline right of way. Fluid ran across grassy pasture and accumulated at the west end 600' away from the leak site. For the most part the area is 20' wide and 600' long but accumulated in a couple of areas. No fluid was recovered. 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>	OIL CONSERVATION DIVISION	
Printed Name: Steven M. Bishop	Approved by District Supervisor <i>[Signature]</i> ENVIRONMENTAL ENGINEER	
Title: HES Specialist	Approval Date: <u>9.5.08</u>	Expiration Date: <u>11.5.08</u>
E-mail Address: Steven_Bishop@oxy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 08/27/2008 Phone: (575) 397-8251	SUBMIT DELINEATION FOR APPROVAL PRIOR TO BACKFILL - DEADLINE 9.29.08	1 TCP# 1942

* Attach Additional Sheets If Necessary

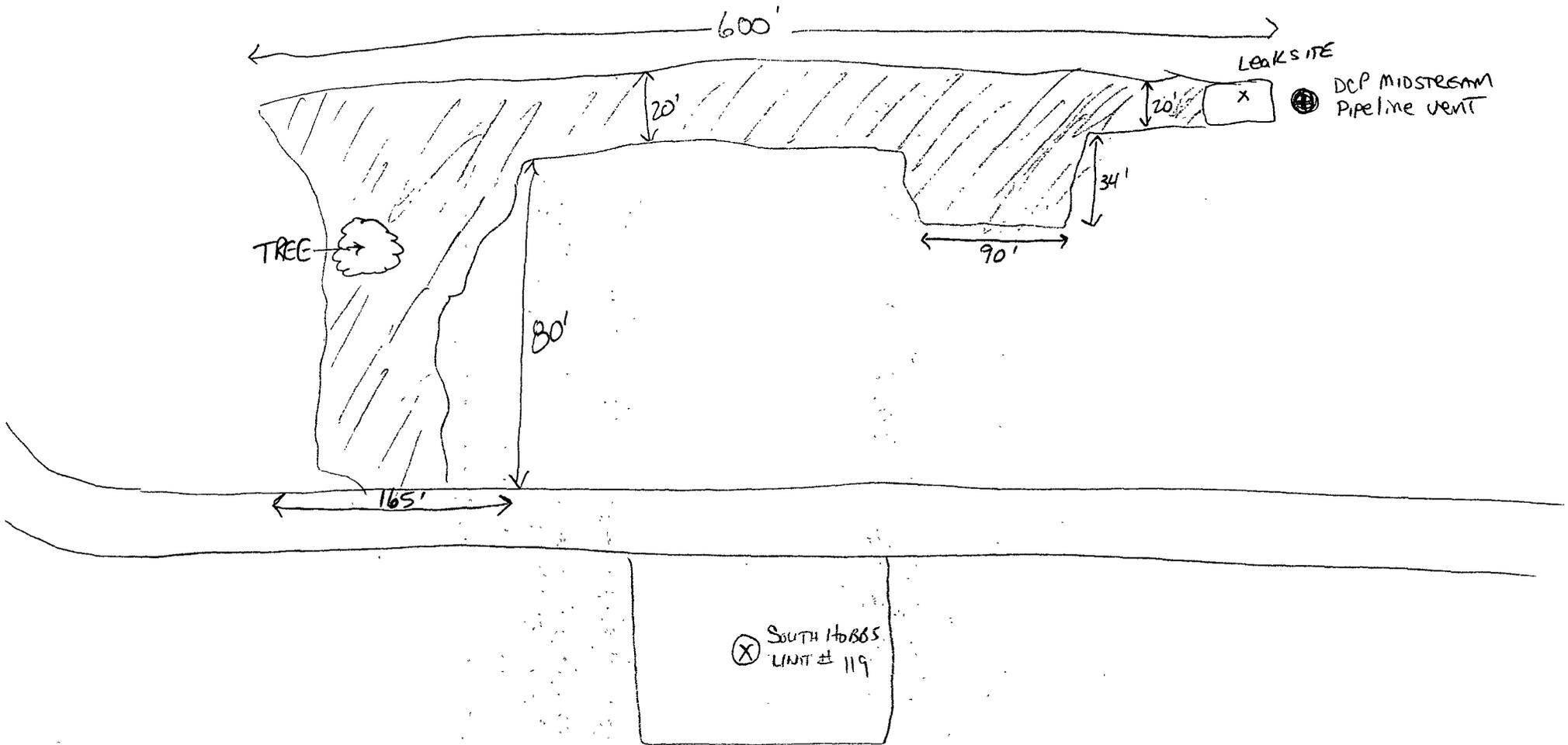
FORM 1006035652

SPILL MAP

PLEASE DRAW SKETCH OF SPILL AND INDICATE WHERE SPILL ORIGINATED.

08/25/2008 SHU #209 1 1/2" LINE LEAK. 3" FIBERGLASS

44. 'C', SEC 8, T-19-S, R-38-E, N 32° 40' 54.40", W 103° 10' 14.40"



MITCHELL ANALYTICAL LABORATORY

2638 Faudree
Odessa, Texas 79765-8538
561-5579

Company: **Nalco Company**

Well Number:	South Hobbs Injection	Sample Temp:	70
Lease:	OXY	Date Sampled:	8/28/2008
Location:		Sampled by:	Chase Alexander
Date Run:	8/28/2008	Employee #:	
Lab Ref #:	08-aug-n42251	Analyzed by:	DOM

Dissolved Gases

		Mg/L	Eq. Wt.	MEq/L
Hydrogen Sulfide	(H2S)	346.00	16.00	21.63
Carbon Dioxide	(CO2)	NOT ANALYZED		
Dissolved Oxygen	(O2)	NOT ANALYZED		

Cations

Calcium	(Ca++)	549.78	20.10	27.35
Magnesium	(Mg++)	144.74	12.20	11.86
Sodium	(Na+)	2,676.14	23.00	116.35
Barium	(Ba++)	NOT ANALYZED		
Manganese	(Mn+)	.03	27.50	.00

Anions

Hydroxyl	(OH-)	.00	17.00	.00
Carbonate	(CO3=)	.00	30.00	.00
BiCarbonate	(HCO3-)	1,784.12	61.10	29.20
Sulfate	(SO4=)	525.00	48.80	10.76
Chloride	(Cl-)	4,104.51	35.50	115.62
Total Iron	(Fe)	0.13	18.60	.01
Total Dissolved Solids		10,130.45		
Total Hardness as CaCO3		1,967.88		
Conductivity MICROMHOS/CM		15,460		

pH	6.720	Specific Gravity 60/60 F.	1.007
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CaSO4 Solubility @ 80 F. 13.36MEq/L, CaSO4 scale is unlikely

CaCO3 Scale Index

70.0	.534	100.0	.884	130.0	1.394
80.0	.664	110.0	1.124	140.0	1.394
90.0	.884	120.0	1.124	150.0	1.624

Nalco Company



Occidental Permian Limited Partnership

August 27, 2008

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

RECEIVED
OCD - 2 2008
HOBBS OCD

Attn: Environmental Engineering

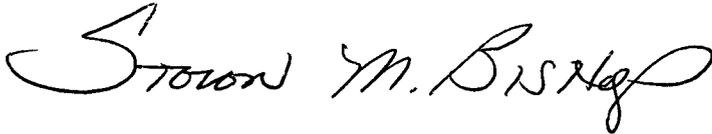
RE: Remediation Plan
South Hobbs Unit #209 3" Fiberglass Injection Line
UL 'C', Sec. 8, T-19-S, R-38-E

Leak occurred on 08/25/2008, at approximately 04:00 PM. A 3" fiberglass injection line used to transfer water from South Hobbs Unit Injection Building #9 to the South Hobbs Unit Well #209 developed a hole causing spill. Valves on both ends of the line were shut to isolate leak. South Hobbs Unit well #209 was shut in at the time and taking no water. It is believed that an automated valve at the header was leaking causing leak. The area affected by this spill is an area measuring approximately 20' wide and 600' long, with 2 larger spots where the water accumulated along a DCP Midstream right of way. The area is north and east of South Hobbs Unit #119. An estimated 200 barrels of injection water was spilled. There was no water recovered. Mr Dee A. Cochran is the surface owner and utilizes the area for cattle grazing. The area consists of sand, rocks and normal vegetation. Depth to ground water according to State Engineers Office is an average of 26', for all wells in the area, giving this spill site a ranking of 20. Remediation of the spill site will be as follows:

1. Piping will be excavated and repaired.
2. Affected area will be excavated and soil will be disposed of at Sundance Services, Parabo Faciltiy near Eunice, NM.
3. Soil samples will be gathered from affected area.
4. NMOCD guidelines will be used to insure the site is in compliance with guidelines.
5. Any soils removed will be replaced with clean fresh soils, where needed.

6. Soil analysis data will be submitted with final closure letter.

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, flowing style.

Steven M. Bishop
HES Spec/Central Operating Area
Steven_Bishop@oxy.com
(505) 397-8251

Attachments: Initial C-141
Hand drawn map of spill area
South Hobbs Unit Water Analysis taken at South Hobbs Unit Central T/B