

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

RECEIVED  
SEP 21 2009  
HOBBS

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 W. Stanlolind Road Hobbs, NM 88240	Telephone No. 575-397-8251
Facility Name South Hobbs Unit Header #2 Prod Line	Facility Type Production
Surface Owner City Of Hobbs Street	Mineral Owner Occidental Permian LTD
	Lease No.

#### LOCATION OF RELEASE APN # 30.025.07603.00.00

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	3	19-S	38-E					lea

Latitude N32.69453° Longitude W103.14158° A

#### NATURE OF RELEASE

Type of Release Produced oil and brine	Volume of Release est. vol. 2 bbls oil X 200 bbls water	Volume Recovered 1 bbl oil x 60 bbls water
Source of Release 6" steel production line from SHU header #2 to Sat #3 trunk line	Date and Hour of Occurrence 8/31/2009 1:30:00 AM	Date and Hour of Discovery 08/31/2009 01:30 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Left Message for Mr. Buddy Hill	
By Whom? Steven M. Bishop	Date and Hour 08/31/2009 06:55 AM	
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		

WATER @ 164'

Describe Cause of Problem and Remedial Action Taken.\*  
SPILL APPROXIMATELY 90' WEST OF THE INTERSECTION OF ROXANNA AND COCHRAN STREETS IN HOBBS, NM. A 6" STEEL LINE FROM SOUTH HOBBS HEADER 2 TO THE MAIN TRUNK LINE TO SATELLITE #3 DEVELOPED HOLE CAUSING SPILL. VALVES WERE CLOSED ON BOTH ENDS OF LINE TO ISOLATE THE LEAK, ALL FREE STANDING FLUID WAS PICKED UP VIA VACUUM TRUCKS, STREETS WERE PRESSURE WASHED, CITY STORM DRAIN WAS FLUSHED WITH 200 BBLS OF FRESH WATER.

Describe Area Affected and Cleanup Action Taken \*  
SPILLED FLUID RAN ALONG CURB TO A CITY WATER DRAIN AND APPROXIMATELY A BLOCK AND A HALF TO THE SOUTH. STREETS WERE PRESSURE WASHED AND RINSATE CAUGHT VIA VACUUM TRUCK AND DISPOSED OF. CITY STORM DRAIN WAS FLUSHED WITH 200 BBLS OF FRESH WATER. THE AREA AROUND THE LEAK SITE WAS EXCAVATED AND REMEDIATED TO NMOCD GUIDELINES FOR SPILLS. PIPE FLUSHED, CAPPED ON BOTH ENDS, AND ABANDONED ON SITE. CITY STREETS WERE REPAIRED TO CITY ENGINEERING STANDARDS.

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>	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Steven M. Bishop	Approved by <i>Steve Selinsky</i> <small>ENV. ENGINEER - District Supervisor</small>	
Title: <i>HES SPEC</i>	Approval Date: <i>01/12/10</i>	Expiration Date: _____
E-mail Address: Steven_Bishop@oxy.com	Conditions of Approval:	
Date: <i>09/17/2009</i> Phone: 575-397-8251	Attached <input type="checkbox"/> <i>IRP-09-9-2287</i>	

\* Attach Additional Sheets If Necessary



# ARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

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HOBBSOCD

ANALYTICAL RESULTS FOR  
OXY PERMIAN LTD.  
ATTN: STEVE BISHOP  
1017 W. STANOLIND ROAD  
HOBBS, NM 88240  
FAX TO: (575) 397-8204

Receiving Date: 09/03/09  
Reporting Date: 09/09/09  
Project Owner: OXY (0905)  
Project Name: SHU 6" HEADER #2 PROD. LINE  
Project Location: 90' W OF INT ROXANNA/COCHRAN

Sampling Date: 09/03/09  
Sample Type: SOIL  
Sample Condition: INTACT @ 28°C  
Sample Received By: AB  
Analyzed By: AB/CK/HM

LAB NO.	SAMPLE ID	GRO (C <sub>6</sub> -C <sub>10</sub> ) (mg/kg)	DRO (>C <sub>10</sub> -C <sub>28</sub> ) (mg/kg)	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)	Cl* (mg/kg)
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ANALYSIS DATE:		09/07/09	09/07/09	09/07/09	09/07/09	09/07/09	09/07/09	09/04/09
H18176-1	#1 UNDER PIPE 6' DEPTH	94.5	1,250	<0.100	<0.100	0.170	1.74	1,060
H18176-2	#2 NORTH SIDE DITCH 4.5'	<10.0	<10.0	<0.050	<0.050	<0.050	<0.300	1,470
H18176-3	#3 EAST SIDE DITCH 4.5'	<10.0	<10.0	<0.050	<0.050	<0.050	<0.300	1,040
H18176-4	#4 SOUTH SIDE DITCH 4.5'	<10.0	93.2	<0.050	<0.050	<0.050	<0.300	1,330
Quality Control		424	394	0.042	0.043	0.040	0.125	490
True Value QC		500	500	0.050	0.050	0.050	0.150	500
% Recovery		84.8	78.8	84.0	86.0	80.0	83.3	98.0
Relative Percent Difference		4.5	3.2	0.5	0.5	0.1	0.3	2.0

METHODS: TPH GRO & DRO - EPA SW-846 8015 M; BTEX - SW-846 8021B; Cl-: Std. Methods 4500-Cl-B  
\*Analyses performed on 1:4 w:v aqueous extracts. Reported on wet weight.  
TEXAS NELAP ACCREDITATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE,  
AND TOTAL XYLENES. Not accredited for GRO/DRO and Chloride.

\_\_\_\_\_  
Lab Director

\_\_\_\_\_  
Date

H18176TBCL OXY

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. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



# CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603  
 (505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: OCCIDENTAL PERMIAN Limited Partnership		<b>BILL TO</b>		<b>ANALYSIS REQUEST</b>												
Project Manager: Steve Bishop		P.O. #:														
Address: 1017 W. STANOLIND ROAD		Company: Oxy PERMIAN LTD														
City: Hobbs State: NM Zip: 88240		Attn: ACCOUNTS PAYABLE														
Phone #: (575) 397-8251 Fax #: (575) 397-8204		Address: P.O. Box 1747														
Project #: 0905 Project Owner: OXY		City: ADDISON														
Project Name: SHU 6" Header #2 Prod Line		State: TX Zip: 75001-1747														
Project Location: 90' W OF INT. ROXANNA / COCHRAN		Phone #:														
Sampler Name: Steve Bishop		Fax #:														
<b>FOR LAB USE ONLY</b>																
Lab I.D.	Sample I.D.	(GRAB OR (C)OMP. # CONTAINERS)	MATRIX					PRESERV.			SAMPLING		TPH	Chlorides	BTEX	
			GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:	DATE				TIME
H18176-1	#1 UNDER Pipe 6' depth	G 1			✓							9/3	1:15p	X	X	X
-2	#2 North Side Ditch 4.5' depth	G 1			✓							9/3	1:20p	X	X	X
-3	#3 East Side Ditch 4.5' depth	G 1			✓							9/3	1:25p	X	X	X
-4	#4 South Side Ditch 4.5' depth	G 1			✓							9/3	1:30p	X	X	X

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 the client for the 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 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.

Relinquished By:	Date:	Received By:	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Phone #:
	Time:		Fax Result: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Add'l Fax #:
REMARKS:			
Relinquished By:	Date: 9/3/09	Received By:	Paykey: CENTEXP 11623
Steve M. Bishop	Time: 2:04pm	CB	WORKORDER: CN 9927285
Delivered By: (Circle One)	Sample Condition	Checked By:	
Sampler: UPS - Bus - Other:	Cool Intact	(Initials)	
#76 280	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	AB	

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



# ARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E MARLAND • HOBBS, NM 88240

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September 9, 2009

Steve Bishop  
Oxy Permian LTD.  
1017 W. Stanolind Road  
Hobbs, NM 88240

Re: SHU 6" Header #2 Prod. Line

Enclosed are the results of analyses for sample number H18176, received by the laboratory on 09/03/09 at 2:04 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

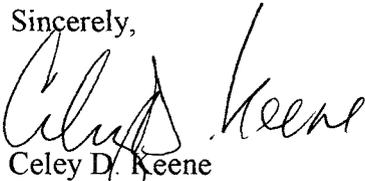
Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

  
Celey D. Keene  
Laboratory Director

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This report conforms with NELAP requirements.



## Occidental Permian Limited Partnership

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September 17, 2009

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HOBBSOCD

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

Attn: Environmental Engineering

RE: Final Closure Letter  
South Hobbs Unit 6" Production Trunk Line  
90' West of Roxanna and Cochran Intersection in Hobbs, NM  
Closest Producer is SHU #20 API No. 30-025-07603  
UL 'D', Sec. 3, T-19-S, R-38-E

Leak occurred on 08/31/2009 at approximately 01:30 AM. A 6" steel trunk line used to transfer produced fluid from South Hobbs Unit header #2 to South Hobbs Unit Satellite #3 trunk line developed a leak causing spill. Valves on both ends of the line were shut to isolate leak. The line operates at approximately 35 pounds and has a rate of approximately 4,400 barrels per day. Produced fluid collected to the west of the spill site along the north curb of Roxanna. Fluid also ran to the south along the west side of Cochran to the intersection of Cochran and Humble. The fluid ran both ways on Humble about a half block each way before it could be contained with fresh soil along the curb. There is also a city storm drain at the corner of Roxanna and Cochran that an undetermined amount of fluid ran into before it was blocked with fresh soil. An estimated 2 barrels of oil and 200 barrels of water was spilled. All fluid possible was picked up via vacuum truck, recovering 1 barrel oil and 60 barrels water. City streets were pressure washed to eliminate any residue from produced fluid and water was caught via vacuum truck and disposed of. City storm drain was flushed with 200 bbls of fresh water. Damage to area is minimal due to mostly cement curbing and pavement along the water route. Area of spill site will be remediated to NMOCD guidelines for leaks and spills. Depth to ground water according to State Engineers Office is an average of 46', 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, flushed, capped on both ends and abandoned in place.
2. Soil samples were gathered from ditch line at spill site.
3. NMOCD guidelines were used to insure entire site is in compliance with guidelines.
4. Soils removed were replaced with clean fresh soils, as needed.

September 17, 2009

Page 2

5. City streets were repaired to City of Hobbs Standards
6. Soil analysis data is being submitted with this final closure letter. Please see attached Cardinal Laboratories soil analysis data dated 09/09/09.

If you have any questions, or if I can be of further assistance, please contact me at (575) 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 Specialist/Central Operating Area  
Steven\_Bishop@oxy.com  
(575) 397-8251

Attachments: Final C-141  
Cardinal Laboratories soil analysis data dated 09/09/09 (3 pages)