

District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 811 S. First St., 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 August 8, 2011

Submit 1 Copy to appropriate District Office in
 accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company OXY Permian	Contact C.J. Summers
Address 1017 W STANOLIND RD	Telephone No. (575) 631-9436 CELL
Facility Name South Hobbs Unit CTB Battery	Facility Type
Surface Owner State	Mineral Owner
API No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	06	19S	38E					Lea

Latitude 32.687736 Longitude -103.180427

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 300 BBLS	Volume Recovered Unknown
Source of Release Injection Trunk Line	Date and Hour of Occurrence 3/22/14	Date and Hour of Discovery 3/22/14
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Linda Reynolds (806)229-9549	
By Whom? Heath Haynes	Date and Hour 3/22/14 1:30 PM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.

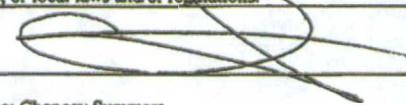
Describe Cause of Problem and Remedial Action Taken.

Cause of leak is internal corrosion. Leak is outside of Header Building 5.

Describe Area Affected and Cleanup Action Taken.

SESI was contacted for assessment. Area will be delineated and an appropriate work plan submitted upon results.

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: 	OIL CONSERVATION DIVISION	
Printed Name: Chancey Summers	Approved by Environmental Specialist:	
Title: HES Advisor	Approval Date:	Expiration Date:
E-mail Address: Chancey_Summers@oxy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <u>3-27-14</u> Phone: (575)631-9436		

* Attach Additional Sheets If Necessary

HOBBS OCD

MAY 16 2014

RECEIVED

OXY USA, Inc.
South Unit Hobbs Injection Trunk Line
Delineation Report and Work Plan

Section 06, T19S, R38E
Lea County, New Mexico

April 17, 2014



Buckhorn road &
approved NFA
Jeffrey Yelins
Environmental Specialist
NMOLD - DIST 1
6/2/14

Prepared for:

OXY USA, Inc.
1017 W Stanolind Road
Hobbs, New Mexico 88240

By:

Safety & Environmental Solutions, Inc.
703 East Clinton Street
Hobbs, New Mexico 88240
(575) 397-0510

I. Company Contacts

Representative	Company	Telephone	E-mail
Chancey Summers	OXY USA, INC.	575-397-8216	Chancey_Summers@oxy.com
Bob Allen	SESI	575-397-0510	ballen@sesi-nm.com

II. Background

Safety and Environmental Solutions, Inc. (SESI) was engaged by OXY USA, INC to perform site assessment of a release area at the South Unit Hobbs Remote Injection Header Building #5 located in Section 06 of Township 19 South, Range 38 East, Lea County, New Mexico.

According to the C-141 dated March 22, 2014 the cause of release was internal corrosion in the injection trunk line.

III. Surface and Ground Water

The nearest groundwater of record is approximately 0.15 miles northeast of the site. The New Mexico Office of State Engineer record is in Section 06 Range 38 East and Township 19 South. The reported depth was 90 feet below ground surface (BGS).

IV. Characterization

The target cleanup levels are determined using the *Guidelines for Remediation of Leaks, Spills and Releases* published by the NMOCD (August 13, 1993). Based on the ranking criteria presented below, the applicable Recommended Remediation Action Levels (RRAL) are 10 parts per million (ppm) Benzene, 50 ppm combined benzene, toluene, ethylbenzene, and total xylenes (BTEX), and 1,000 ppm Total Petroleum Hydrocarbons (TPH).

Depth to Ground Water:			
(Vertical distance from contaminants to seasonal high water elevation of groundwater)	Less than 50 feet	20 points	
	50 feet to 99 feet	10 points	X
	>100 feet	0 points	
Wellhead Protection Area:			
(Less than 200 feet from a private domestic water source; or less than 1000 feet from all other water sources)	Yes	20 points	
	No	0 points	X
Distance to Surface Water:			
(Horizontal distance to perennial lakes, ponds, rivers, streams, creeks, irrigation canals and ditches)	Less than 200 feet	20 points	
	200 feet to 1000 feet	10 points	
	>1000 feet	0 points	X
RANKING SCORE (TOTAL POINTS)			10

V. Work Performed

On March 26, 2014, SESI was onsite to perform a site assessment. The release area was mapped utilizing a Trimble Juno 3D and site photos were taken.

On April 03, 2014, SESI was onsite to take surface samples and install (2) test trenches to determine vertical extent of contamination. The test trenches were installed in the two pooling areas of the release. The total depth of TT-1 was only 1.5' where a hard caliche layer was encountered that the backhoe was unable to penetrate. Samples were taken from the surface and at 1' ft. and 18 inches. The total depth of TT-2 was only 1 ft. where the same hard caliche layer was encountered and the backhoe was unable to penetrate. Samples were taken only from the surface at the location of TT-2. All samples were properly packaged, preserved and transported to Cardinal Laboratories, Hobbs New Mexico and analyzed for Chloride (Cl⁻) (Method SM4500Cl-B). The results of the analysis are presented in the table below:

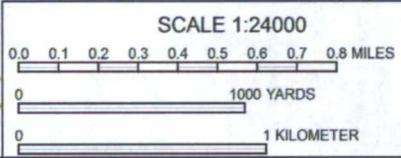
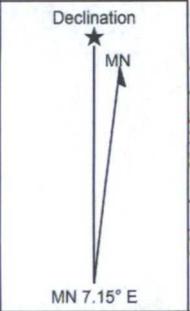
Lab ID	Sample ID	Cl (mg/kg)
Analysis Date:	-	04/03/2014
H400991-01	TT-1 Surface	448
H400991-02	TT-1 1'	320
H400991-03	TT-1 18'	352
H400991-04	TT-2 Surface	64.0

VI. Action Plan

Cosmetic cleanup had already taken place before the samples were obtained. The analytical results indicate that the most heavily contaminated soils have already been removed and properly disposed of at an approved NMOCD facility. The area in the road will be back dragged. It is proposed that no further action should be required.

VII. Figures & Appendices

- Figure 1 – Vicinity Map
- Figure 2 – Site Plan
- Appendix A – Analytical Results
- Appendix B – C-141



Name: HOBBS WEST,
 Date: 04/17/14
 Scale: 1 inch = 2,000 ft.

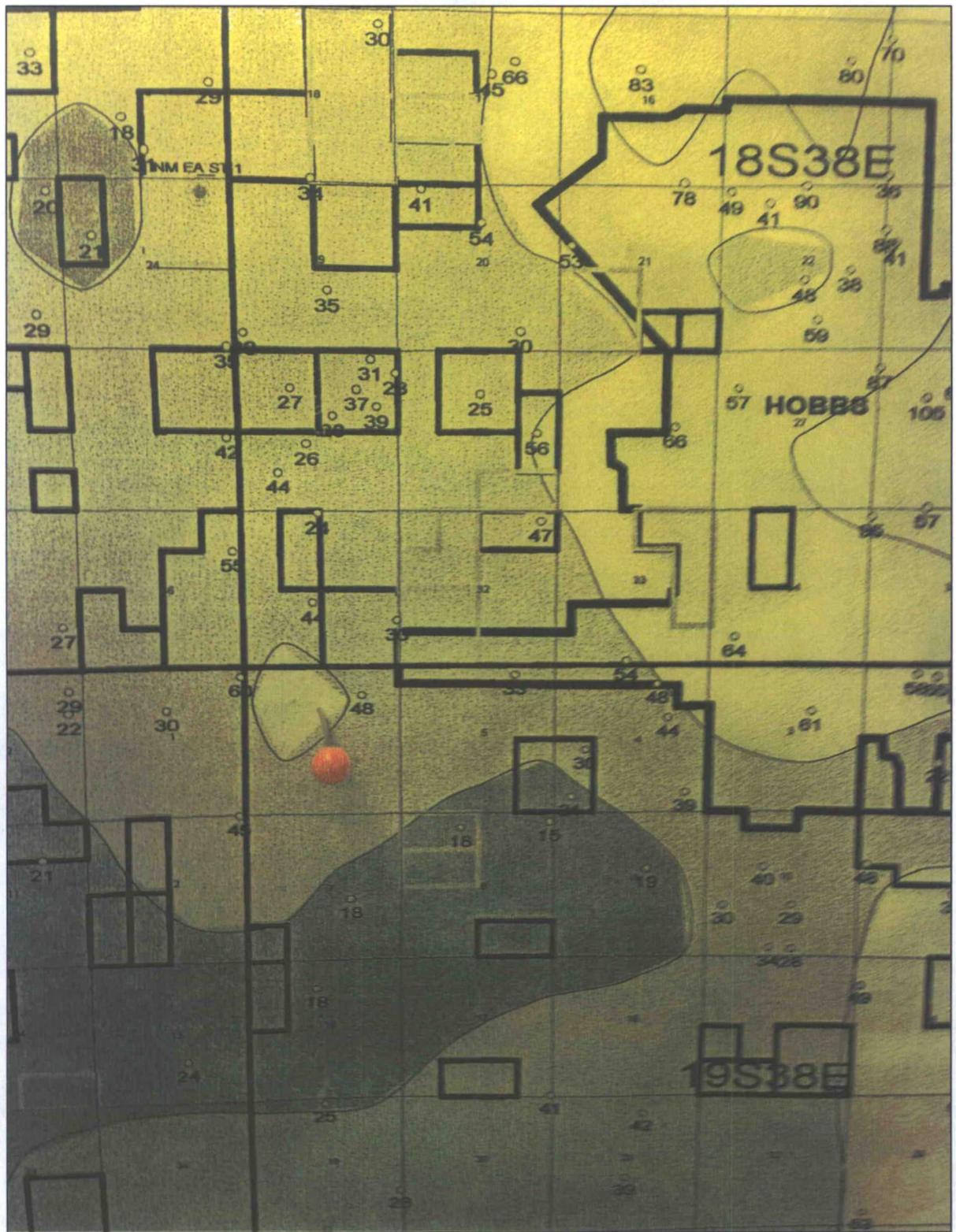
Location: 032.687736° N 103.180427° W
 Caption: OXY-14-007 South Unit CTB Injection

Copyright (C) 2008, M/Topo

**Figure 2
Site Plan**



OXY-14-007 South Hobbs Unit Injection Trunk Line



NMOCD Trend Map

April 08, 2014

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: SOUTH HOBBS UNIT

Enclosed are the results of analyses for samples received by the laboratory on 04/03/14 10:05.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

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 524.4	Regulated vOCs (v1, v2, v3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

 Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

 Received: 04/03/2014
 Reported: 04/08/2014
 Project Name: SOUTH HOBBS UNIT
 Project Number: CTB TRUNKLINE 14-007
 Project Location: NOT GIVEN

 Sampling Date: 04/03/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: TT-1 SURFACE (H400991-01)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True value QC	RPD	Qualifier
Chloride	448	16.0	04/07/2014	ND	416	104	400	3.92	

Sample ID: TT-1 1' (H400991-02)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True value QC	RPD	Qualifier
Chloride	320	16.0	04/07/2014	ND	416	104	400	3.92	

Sample ID: TT-1 18" (H400991-03)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True value QC	RPD	Qualifier
Chloride	352	16.0	04/07/2014	ND	416	104	400	3.92	

Sample ID: TT-2 SURFACE (H400991-04)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True value QC	RPD	Qualifier
Chloride	64.0	16.0	04/07/2014	ND	416	104	400	3.92	

Cardinal

* = Accredited

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 the 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.



Celey D. Keene, Lab

Analytical Results For:

 Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

 Received: 04/03/2014
 Reported: 04/08/2014
 Project Name: SOUTH HOBBS UNIT
 Project Number: CTB TRUNKLINE 14-007
 Project Location: NOT GIVEN

 Sampling Date: 04/03/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: TT-2 1' (H400991-05)

Chloride, SM4500Cl-B

mg/kg

Analyzed By: AP

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True value QC	RPD	Qualifier
Chloride	192	16.0	04/07/2014	ND	416	104	400	3.92	

Cardinal

* = Accredited

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 the 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.



Celest D. Keene, Lab

Notes and Definitions

- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal

*=Accredited

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 the 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.

Celey D. Keene

Celey D. Keene, Lab



ARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240
 (505) 393-2328 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 1 of 1

Company Name: Safety & Environmental Solutions, Inc. Project Manager: Bob Allen Address: 703 East Clinton City: Hobbs State: NM Zip: 88240 Phone #: 575-397-0510 Fax #: 575-393-4388 Project #: South Hobbs Unit Project Owner: Project Name: CTB Trunkline 14-087 Project Location: Sampler Name: Bob Allen FOR USE ONLY		P.O. #: Company: Same Address: City: State: Zip: Phone #: Fax #: PRESERV. SAMPLING	
Lab I.D. HH0991 Sample I.D.		MATRIX <input type="checkbox"/> G/RAB OR (C)OMP. <input type="checkbox"/> #CONTAINERS <input type="checkbox"/> GROUNDWATER <input type="checkbox"/> WASTEWATER <input type="checkbox"/> SOIL <input type="checkbox"/> OIL <input type="checkbox"/> SLUDGE OTHER: <input type="checkbox"/> ACID/BASE <input type="checkbox"/> ICE / COOL OTHER:	
1 TT-1 Surface 2 TT-1 1' 3 TT-1 18" 4 TT-2 Surface 5 TT-2 1'		DATE TIME 4:30 8:40 8:50 9:00 9:05 9:10	
Sampler Requisitioned By: Bob Allen Date: 4-3-14 Time: 8:05 Requisitioned By: Scott Henderson Date: 4-17-14 Time:		Received By: Scott Henderson Date: 4-17-14 Time:	
Delivered By: (Circle One) Sampler - UPS - Bus - Other:		Sample Condition Cool <input checked="" type="checkbox"/> Warm <input type="checkbox"/> Sealed <input checked="" type="checkbox"/> Open <input type="checkbox"/> No <input type="checkbox"/> Yes <input checked="" type="checkbox"/>	
Remarks:		Phone Results: <input type="checkbox"/> Yes <input type="checkbox"/> No Fax Results: <input type="checkbox"/> Yes <input type="checkbox"/> No ADD'l PHONE #: ADD'l FAX #: REMARKS:	

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476

EMAIL Results
 bob@sesi-nm.com
 office@sesi-nm.com
 scott@sesi-nm.com



Spill-Facing North



Facing Northeast



Facing Southeast



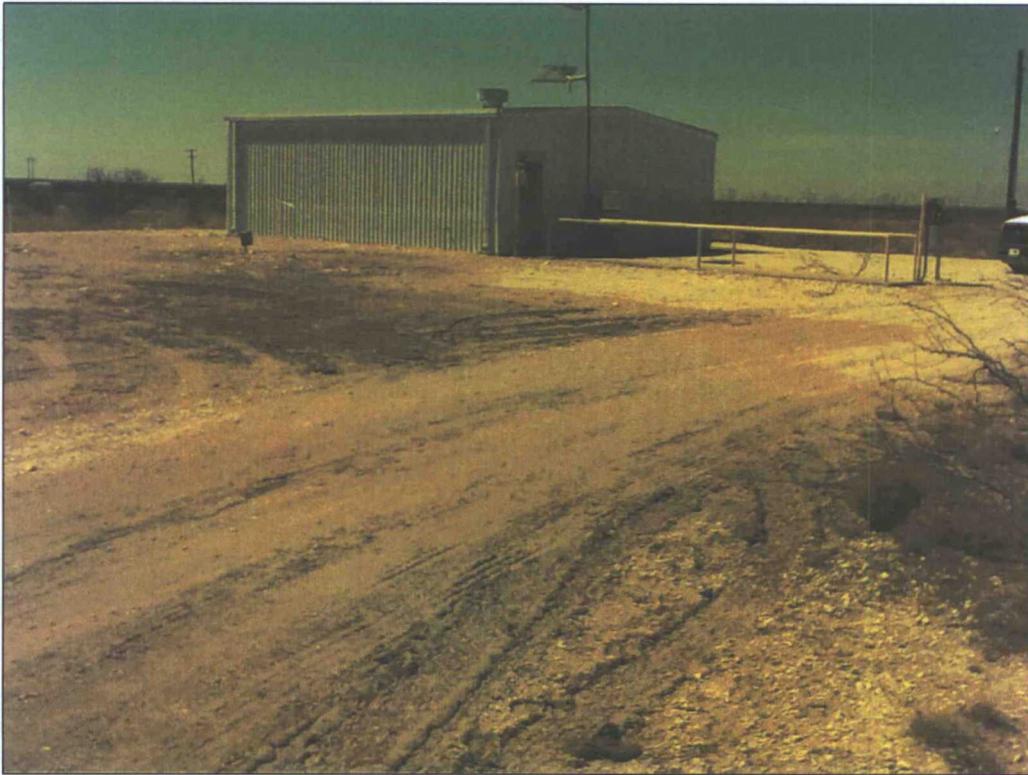
Facing Southeast



Facing East



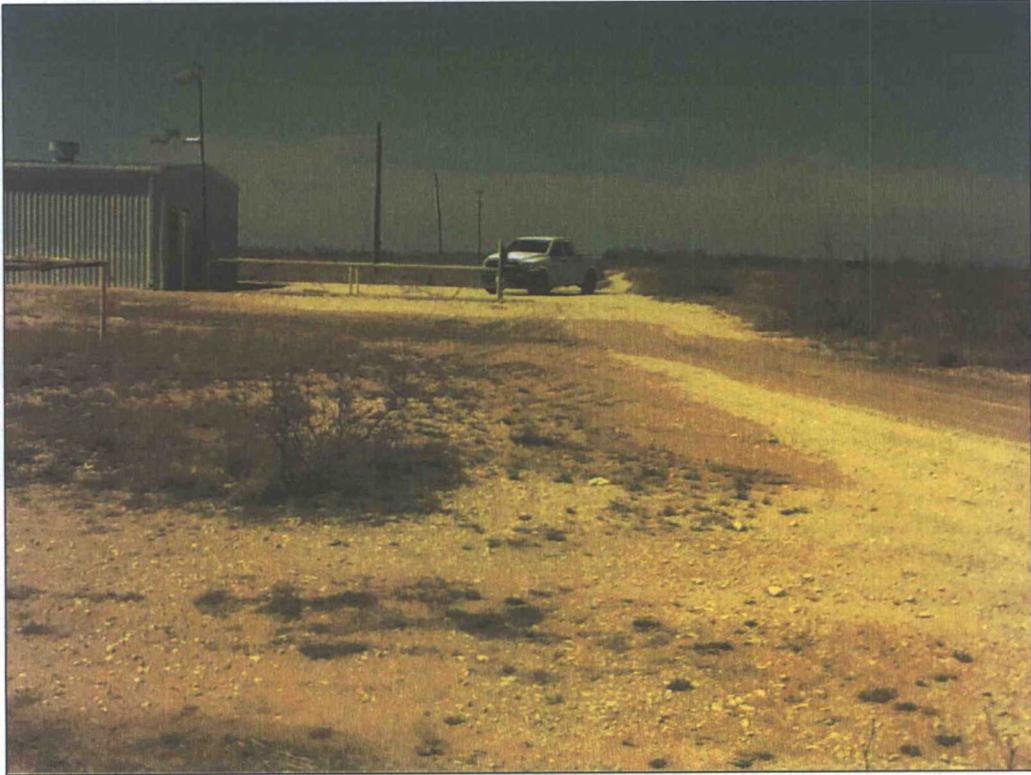
Facing South



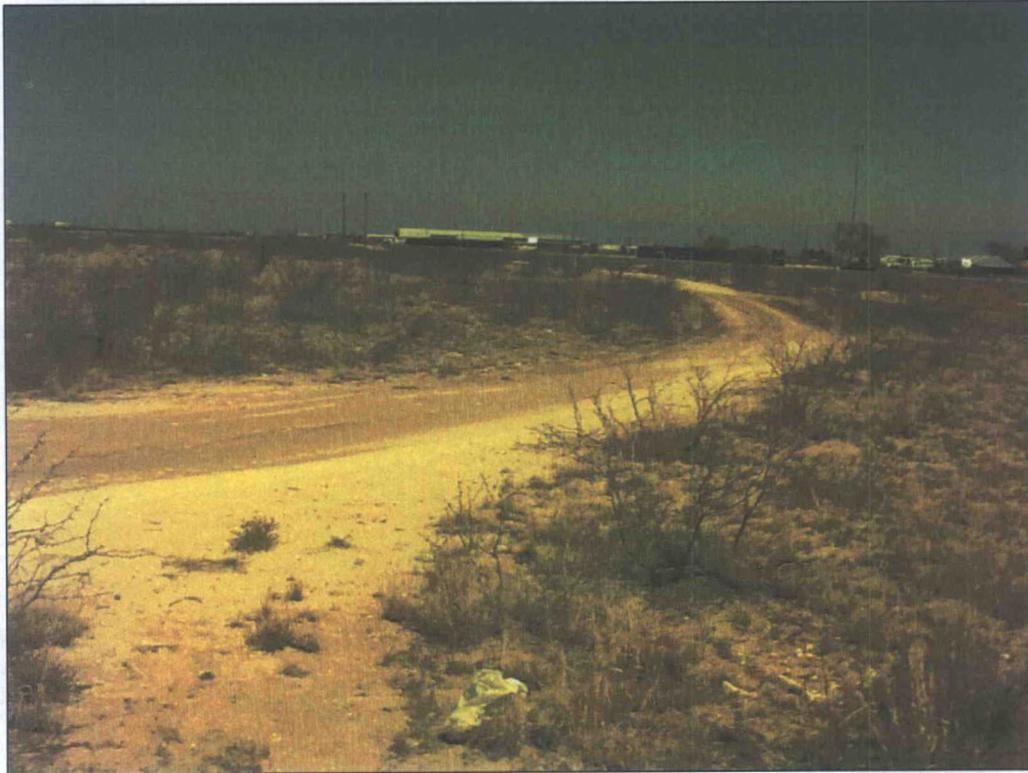
Facing Southwest



Facing West



Facing West



Spill down road-Facing Northeast



Spill down road in pasture-Facing Southwest



Spill in pasture-Facing South



Spill in pasture-Facing Southeast



Spill in pasture-Facing Southwest



Spill in pasture-Facing Northeast



Spill in pasture-Facing Southwest



Spill in pasture-Facing Southwest



Spill in pasture-Facing West



Spill in pasture-Facing North



New Mexico Office of the State Engineer Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced,

O=orphaned,

C=the file is (quarters are 1=NW 2=NE 3=SW 4=SE)

closed) (quarters are smallest to largest) (NAD83 UTM in meters)

(In feet)

POD Number	POD Sub-Code	basin	County	64	16	4	Sec	Tws	Rng	X	Y	Depth Well	Depth Water	Water Column
L 04033	L	LE		2	1	1	06	19S	38E	669387	3618988*	110	42	68
L 04868	R	L	LE	4	4	2	06	19S	38E	670589	3618406*	106	88	18
L 04868 POD2	L	LE		4	4	2	06	19S	38E	670589	3618406*	154	90	64
L 10336	L	LE		3	1	3	06	19S	38E	669190	3617981*	150	90	60
L 11080	L	LE				1	06	19S	38E	669490	3618685*	168		
L 11653	L	LE		4	4	2	06	19S	38E	670589	3618406*	233		
L 11991 POD1	L	LE		4	2	4	06	19S	38E	670678	3618398	145		
L 12228 POD1	L	LE		2	4	4	06	19S	38E	670596	3617848	120	32	88

Average Depth to Water: **68 feet**

Minimum Depth: **32 feet**

Maximum Depth: **90 feet**

Record Count: 8

PLSS Search:

Section(s): 06

Township: 19S

Range: 38E

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

5/15/14 11:13 AM

Page 1 of 1

WATER COLUMN/ AVERAGE
DEPTH TO WATER