

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 North Hobbs Unit Well # 31-431	Facility Type Production

Surface Owner Kress Jones	Mineral Owner	Lease No.
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LOCATION OF RELEASE

30-025-12758

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

Latitude N32°42'10.90" Longitude W103°10'49.50"

NATURE OF RELEASE

Type of Release Crude oil and produced water	Volume of Release 10 BO X 40 BW	Volume Recovered 5 BO X 35 BW
Source of Release Well head while well being pulled	Date and Hour of Occurrence 05/31/2003 01:30 PM	Date and Hour of Discovery 05/31/2003 01:30 PM
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 Patricia Caperton	
By Whom? Steven M. Bishop	Date and Hour 05/31/2006 03:15 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. *N/A

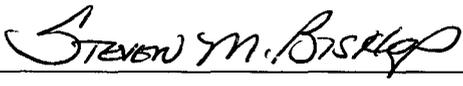
Describe Cause of Problem and Remedial Action Taken.*

North Hobbs Unit #31-431 rods were being pulled. Killed well with kill truck and started pulling rods. Pulled 2 stands of rods and well started to blow. Crew shut rod stripper and rubbers blew out of rod stripper causing spill. Water was pumped into well to kill it. Polished rod and stuffing box were re-installed so location and rig could be cleaned. Picked up all standing fluid via vacuum trucks. Covered location with fresh sand until area can be remediated.

Describe Area Affected and Cleanup Action Taken.*

All fluid stayed on location inside guy wire anchors and most was recovered via vacuum truck. An area approximately 100' X 300' to the south and west of the wellhead had a heavy oil spray on vegetation. Land owner was contacted and told of the incident. Affected area on location was remediated to NMOCD guidelines for spills and leaks. Sprayed area will be monitored, expect minimal damage due to spray on vegetation. No further work is planned at this site.

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: Steven M. Bishop	Approved by District Supervisor: 	
Title: HES Technician	Approval Date: 6-7-07	Expiration Date: 
E-mail Address: Steven_Bishop@oxy.com	Conditions of Approval: 	Attached <input type="checkbox"/>
Date: 07/06/2006	Phone: (505) 397-8251	

* Attach Additional Sheets If Necessary



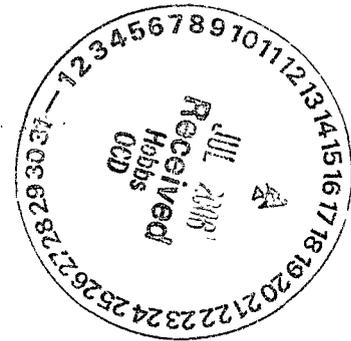
Occidental Permian Limited Partnership

July 6, 2006

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 Well #31-431
UL 'T', Sec. 31, T-18-S, R-38-E



Leak occurred on 05/31/2006, at approximately 01:30 PM. North Hobbs Unit 31-431 was being pulled. The well had been killed utilizing a kill truck. The polished rod and stuffing box had been removed and two triple stands of rods had been pulled. The well started to blow and the unit crew shut the rod stripper but the rubbers blew out causing spill. Water was pumped via kill truck to re-kill the well. The polished rod and stuffing box were re-installed until location and unit could be cleaned up. The area affected by this spill is an area measuring approximately 100' wide and 300' to the south and west of the wellhead where a heavy spray of oil was sprayed on vegetation. All fluid stayed on location to the south of the well. Most of the fluid was recovered via vacuum trucks. An estimated 10 barrels of crude oil and 40 barrels of produced water was spilled. 5 barrels of crude oil and 35 barrels of produced water were recovered. Kress Jones is the surface owner and was notified of the incident by Occidental Permian LTD. 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. Location was delineated while being remediated. Removed approximately 1 foot depth in affected area on location.
2. Affected soil was excavated and hauled to Sundance Services, Parabo facility near Eunice, NM. Hauled 168 cubic yards of affected soil to Parabo.

July 6, 2006

Page 2

3. Soil samples were gathered from affected area. Sample point 1 (SP-1) was taken in the center of the area where fluid gathered to the south of the wellhead. BACKGROUND sample was taken in unaffected area of pasture.
4. NMOCD guidelines were used to insure entire site is in compliance with guidelines.
5. All soil removed were replaced with clean fresh soils, where needed.
6. Soil analysis data is being submitted with this final closure letter.
7. Sprayed area to the south and west of wellhead will be monitored. Expect minimal damage due to spray on vegetation.

If you have any questions, or if I can be of further assistance, please contact me at (505) 397-8251.



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

Attachments: Final C-141
Cardinal Laboratories Soil Analysis Data Dated 6/26/06 and 6/21/06



PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603
 PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
 BBC INTERNATIONAL, INC.
 ATTN: KEN SWINNEY
 P.O. BOX 805
 HOBBS, NM 88241
 FAX TO: (505) 397-0397

Receiving Date: 06/20/06
 Reporting Date: 06/28/06
 Project Number: NOT GIVEN
 Project Name: NHU #31-431
 Project Location: HOBBS, NM

Sampling Date: 06/20/06
 Sample Type: SOIL
 Sample Condition: COOL & INTACT
 Sample Received By: AB
 Analyzed By: BC

LAB NUMBER	SAMPLE ID	BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL BENZENE (mg/Kg)	TOTAL XYLENES (mg/Kg)
ANALYSIS DATE		06/23/06	06/23/06	06/23/06	06/23/06
H11248-1	SP-1	<0.005	<0.005	<0.005	<0.015
H11248-2	BACKGROUND	<0.005	<0.005	<0.005	<0.015
Quality Control		0.101	0.101	0.103	0.301
True Value QC		0.100	0.100	0.100	0.300
% Recovery		101	101	103	100
Relative Percent Difference		4.2	3.2	4.8	0.8

METHOD: EPA SW-846 8260

Benson A. Cohen
 Chemist

E. H. B. C.
 Date

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**ARDINAL
LABORATORIES**

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

PHONE (505) 383-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
BBC INTERNATIONAL, INC.
ATTN: KEN SWINNEY
P.O. BOX 805
HOBBS, NM 88241
FAX TO: (505) 397-0397

Receiving Date: 06/20/06
Reporting Date: 06/21/06
Project Number: NOT GIVEN
Project Name: NHU #31-431
Project Location: HOBBS, NM

Sampling Date: 06/20/06
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: AB
Analyzed By: BC/AB

LAB NUMBER	SAMPLE ID	GRO	DRO	CI*
		(C ₆ -C ₁₀) (mg/Kg)	(>C ₁₀ -C ₂₈) (mg/Kg)	(mg/Kg)

ANALYSIS DATE	06/20/06	06/20/06	06/20/06
H11248-1 SP-1	<10.0	<10.0	64
H11248-2 BACKGROUND	<10.0	<10.0	16
Quality Control	780	814	1000
True Value QC	800	800	1000
% Recovery	97.6	102	100
Relative Percent Difference	5.3	1.8	2.0

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; CI: Std. Methods 4500-CIB
*Analyses performed on 1:4 w:v aqueous extracts.

Burton J. Cook
Chemist

6/21/06
Date

H11248A

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