



Occidental Permian Limited Partnership

December 12, 2007

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

Attn: Environmental Engineering

RE: RP-1611 Final Closure Letter
South Hobbs Unit 8" Injection Trunk line
from Central T/B to Injection Building #1
UL 'K', Sec. 4, T-19-S, R-38-E

Leak occurred on 10/03/2007, at approximately 02:30 PM. An 8" cement lined steel trunk line used to transfer injection water from South Hobbs Unit Central T/B to South Hobbs Unit Injection Building #1 split causing spill. Valves on both ends of the trunk line were shut to isolate leak. The line operates at approximately 1100 pounds and has a rate of approximately 16,000 barrels per day. The exact throughput of the line is unknown since there are two trunk lines that transfer injection water to this injection building. The injection line also damaged a fiberglass production line serving South Hobbs Unit Satellite #5. The area affected by this spill is an area measuring approximately 75' X 150', in the pasture north and west of the spill site, and an area approximately 100' X 300' in the pasture to the south and east of the leak site where water ran. An estimated 250 barrels of injection water and 2 barrels oil was spilled. All fluid was lost, none was recovered. The State of New Mexico is the surface owner. Oxy Permian leases the area from the State of New Mexico and utilizes the surface for oil and gas production only. Depth to ground water according to State Engineers Office is an average of 48', 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 and repaired.
2. Soil samples were gathered from affected area. Please see map showing sample points.
3. NMOCD guidelines were used to insure entire site is in compliance with guidelines.
4. Soils removed will be replaced with clean fresh soils, where needed.
5. Soil analysis data is being submitted with this final closure letter. Please see attached Cardinal Laboratories Data (3 pages).
6. Affected area will be monitored for vegetation impact, expect minimal impact due to water.

January 29, 2008

Page 2

No further work, with the exception of some backfill where needed, is planned for this site. 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 Technician/WSAH RMT
Steven_Bishop@oxy.com
(505) 397-8251

Attachments: Final C-141

Hand drawn map of spill site showing sample points

Cardinal Laboratories soil analysis data dated 12/11/2007

Analytical data of South Hobbs Unit Injection Water dated 8/15/2007

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 Injection System	Facility Type Production

Surface Owner State of New Mexico	Mineral Owner Occidental Permian Limited Partnership	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
'K'	4	19-S	38-E					LEA

Latitude North 32°41'12.40" Longitude West 103°09'17.90"

NATURE OF RELEASE

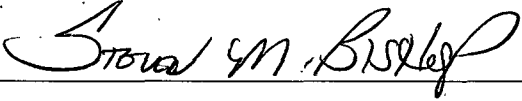

Type of Release Produced and Injection Water	Volume of Release 2 BO X 250 BW	Volume Recovered 0 Bbbls
Source of Release 8" cement lined steel injection trunk line	Date and Hour of Occurrence 10/03/2007 02:30 PM	Date and Hour of Discovery 10/03/2007 02:30 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Gary Wink	
By Whom? Steven M. Bishop	Date and Hour 10/03/2007 05:20 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.* An 8" cement lined steel injection trunk line from South Hobbs Unit Central T/B to South Hobbs Unit Injection Building #1 split causing spill. Isolated the trunk line by shutting valves at both ends.

Describe Area Affected and Cleanup Action Taken.* Area affected is approximately 75' X 150' of pasture to the northwest of leak site and an area to the southeast of the leak site approximately 100' X 300' where water ran. No fluid was recovered. Piping was repaired, and samples were taken in affected area to insure area is in compliance with NMOCD guidelines for spills. Vegetation will be monitored for impact where water ran from leak site, minimal impact is expected. Occidental Permian LTD. leases this site from the State of New Mexico.

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: <u>1/29/08</u>	Expiration Date: <u>1/29/08</u>
E-mail Address: Steven_Bishop@oxy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 12/12/2007	Phone: (505) 397-8251	

* Attach Additional Sheets If Necessary

SR L MAP

PLEASE DRAW SKETCH OF SPILL AND INDICATE WHERE SPILL ORIGINATED

Pick Sec 61-7-28

N 32° 41' 12.40" VJ103° 09' 17.90

ADD PAGE 51 SP

5:20 PM

SOUTH HOBBS UNIT INJECTION TRANSLINE

8 Cement-lined pipe

10/03/2007 2:30 p.m.

estimate 2 Box 250.6W

Recovered

150 yds NW of SHU #141

SATellite #5

SAMPLE 37 POINTS

SP#1 - 6" to 12" depth

SP#2 - 4.5' depth, no ditch

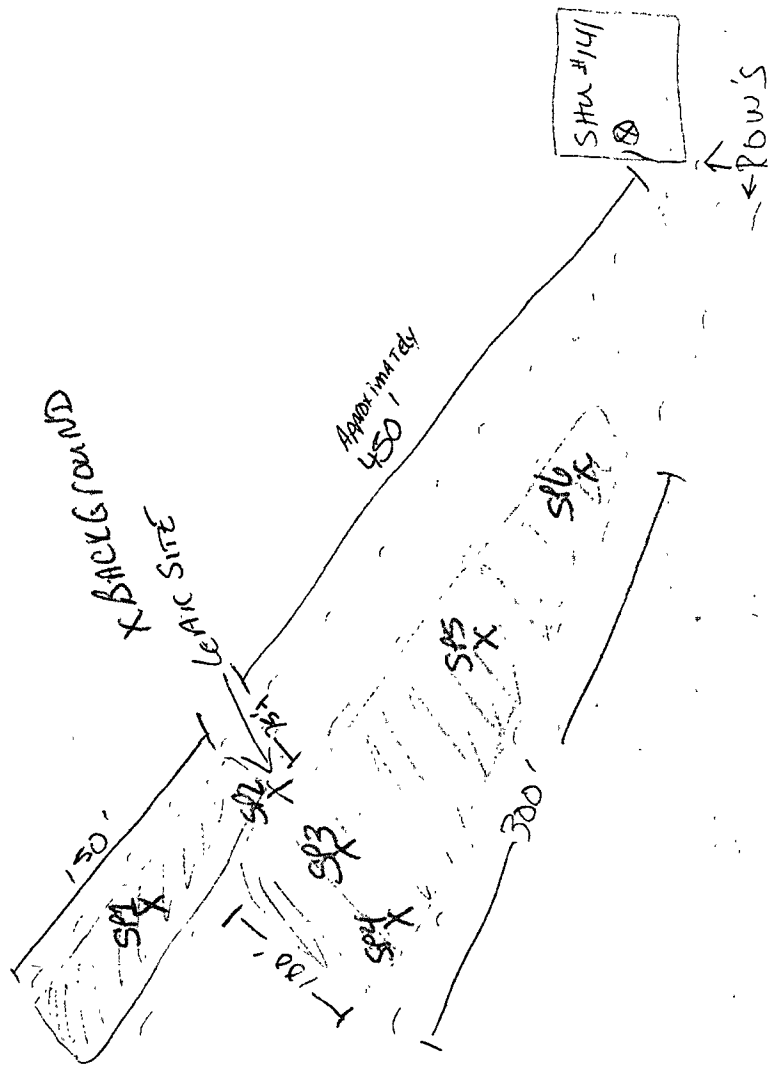
3 ft. - 21" depth

Sect 4 - 6" to 12" depth

SRDS - 6" to 12" depth

SP#6 - 6" to 12" depth

Back ground - Surface to 3" depth





ARDINAL LABORATORIES

PHONE (575) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
BBC INTERNATIONAL, INC.
ATTN: CLIFF BRUNSON
P.O. BOX 805
HOBBS, NM 88241
FAX TO: (575) 397-0397

Receiving Date: 12/07/07
Reporting Date: 12/11/07
Project Owner: OXY
Project Name: SECTION 4 INJECTION LINE
Project Location: HOBBS, NM

Sampling Date: 12/07/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: AB
Analyzed By: CK/KS

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₂) (mg/kg)	DRO (C ₁₂ -C ₂₈) (mg/kg)	CI* (mg/kg)
		12/07/07	12/07/07	12/07/07
H13873-1	SP 1 @ 0-12"	<10.0	50.7	592
H13873-2	SP 2 @ 4.5' LEAK PT.	<10.0	54.9	1500
H13873-3	SP 3 @ 0-12"	<10.0	<10.0	528
H13873-4	SP 4 @ 0-12"	<10.0	<10.0	432
H13873-5	SP 5 @ 0-12"	<10.0	44.4	1650
H13873-6	SP 6 @ 0-12"	<10.0	<10.0	592
H13873-7	BKGND @ 0-12"	<10.0	<10.0	<16
Quality Control		587	384	500
True Value QC		500	500	500
% Recovery		117	76.8	100
Relative Percent Difference		5.5	12.2	2.0

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Std. Methods 4500-CI*B

*Analyses performed on 1:4 w:v aqueous extracts.


Chemist


Date

H13873TCL BBC

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.



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

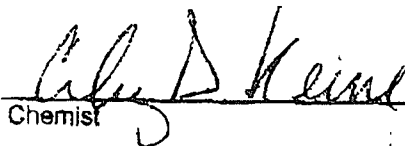
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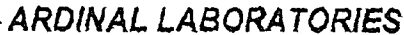
LAB NO.	SAMPLE ID	BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL BENZENE (mg/Kg)	TOTAL XYLENES (mg/Kg)
ANALYSIS DATE		12/07/07	12/07/07	12/07/07	12/07/07
H13873-1	SP1 @ 0-12"	<0.001	<0.001	<0.001	<0.003
H13873-2	SP2 @ 4.5' LEAK PT.	<0.001	<0.001	<0.001	<0.003
H13873-3	SP3 @ 0-12"	<0.001	<0.001	<0.001	<0.003
H13873-4	SP4 @ 0-12"	<0.001	<0.001	<0.001	<0.003
H13873-5	SP5 @ 0-12"	<0.001	<0.001	<0.001	<0.003
H13873-6	SP6 @ 0-12"	<0.001	<0.001	<0.001	<0.003
H13873-7	BKGND @ 0-12"	<0.001	<0.001	<0.001	<0.003
Quality Control		0.107	0.099	0.099	0.312
True Value QC		0.100	0.100	0.100	0.300
% Recovery		107	99.0	99.0	104
Relative Percent Difference		1.6	0.9	1.1	1.0

METHOD: EPA SW-846 8021B


Chemist


Date

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.



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

[illegible]

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

MITCHELL ANALYTICAL LABORATORY

2638 Faudree
Odessa, Texas 79765-8538
561-5579

Company: **Nalco Company**

Well Number: SHU Pump 2
Lease: OXY
Location:
Date Run: 8/17/2007
Lab Ref #: 07-AUG-n36045

Sample Temp: 70
Date Sampled: 8/15/2007
Sampled by: Kevin Chiles
Employee #:
Analyzed by: DOM

Dissolved Gases

		Mg/L	Eq. Wt.	MEq/L
Hydrogen Sulfide	(H ₂ S)	268.00	16.00	16.75
Carbon Dioxide	(CO ₂)	NOT ANALYZED		
Dissolved Oxygen	(O ₂)	NOT ANALYZED		

Cations

		Mg/L	Eq. Wt.	MEq/L
Calcium	(Ca++)	426.12	20.10	21.20
Magnesium	(Mg++)	161.04	12.20	13.20
Sodium	(Na+)	3,164.18	23.00	137.57
Barium	(Ba++)	NOT ANALYZED		
Manganese	(Mn+)	.06	27.50	.00

Anions

		Mg/L	Eq. Wt.	MEq/L
Hydroxyl	(OH-)	.00	17.00	.00
Carbonate	(CO ₃ =)	.00	30.00	.00
BiCarbonate	(HCO ₃ -)	1,564.16	61.10	25.60
Sulfate	(SO ₄ =)	400.00	48.80	8.20
Chloride	(Cl-)	4,905.39	35.50	138.18
Total Iron	(Fe)	0.03	18.60	.00
Total Dissolved Solids		10,888.98		
Total Hardness as CaCO ₃		1,725.56		
Conductivity MICROMHOS/CM		14,950		

pH 7.340 Specific Gravity 60/60 F. 1.008

CaSO₄ Solubility @ 80 F. 14.53 MEq/L, CaSO₄ scale is unlikely

CaCO₃ Scale Index

70.0	.987	100.0	1.337	130.0	1.847
80.0	1.117	110.0	1.577	140.0	1.847
90.0	1.337	120.0	1.577	150.0	2.077

Nalco Company