

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. (575) 397-8251 |
| Facility Name South Hobbs Unit Injection System #53 | Facility Type Production |

| | | |
|----------------------------------|---------------------------------------------------------|-----------------------------------|
| Surface Owner Malcolm Coombes | Mineral Owner Occidental Permian Limited Partnership | Lease No. API No. 30-025-07612 |
|----------------------------------|---------------------------------------------------------|-----------------------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|----------------------------|--------------|------------------|---------------|---------------|------------------|---------------|----------------|---------------|
| Unit Letter 'L' and 'M' | Section 4 | Township 19-S | Range 38-E | Feet from the | North/South Line | Feet from the | East/West Line | County LEA |
|----------------------------|--------------|------------------|---------------|---------------|------------------|---------------|----------------|---------------|

Latitude North 32°41'16.90" Longitude West 103°09'40.90"

NATURE OF RELEASE

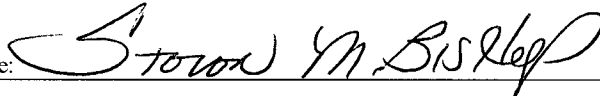
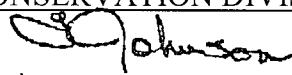
| | | |
|------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|---------------------------------------------------|
| Type of Release Produced and Injection Water | Volume of Release Estimated 450 BW | Volume Recovered 260 Bbls |
| Source of Release 8" fiberglass injection trunk line | Date and Hour of Occurrence 11/03/2008 02:30 PM | Date and Hour of Discovery 11/03/2008 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? Buddy Hill | |
| By Whom? Steven M. Bishop | Date and Hour 11/03/2008 04:00 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" fiberglass injection trunk line from South Hobbs Unit Central T/B to South Hobbs Unit Injection Building #7 ruptured causing spill. Isolated the trunk line by shutting valves at both ends. South Hobbs Unit #53 is the closest injector and the API number for this well was used for this report.

Describe Area Affected and Cleanup Action Taken.* Area affected is approximately 200' X 200' to the north and 40' X 400' south of leak site in the pasture. Water also ran from the leak site east to a caliche lease road and south down the road for approximately 1/2 a mile. An estimated 450 bbls of produced water was spilled and 350 bbls was recovered via vacuum trucks. Piping will be repaired, and samples will be taken in affected area to insure area is in compliance with NMOCD guidelines for spills.

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:  ENVIRONMENTAL ENGINEER | |
| Title: HES Specialist | Approval Date: <u>11.03.08</u> | Expiration Date: <u>3.8.2009</u> |
| E-mail Address: Steven_Bishop@oxy.com | Conditions of Approval. | |
| Date: 11/07/2008 Phone: (575) 397-8251 | <u>SUBMIT FINAL DOCS BY</u> Attached <input type="checkbox"/> <u>1 RP # 2010</u> | |

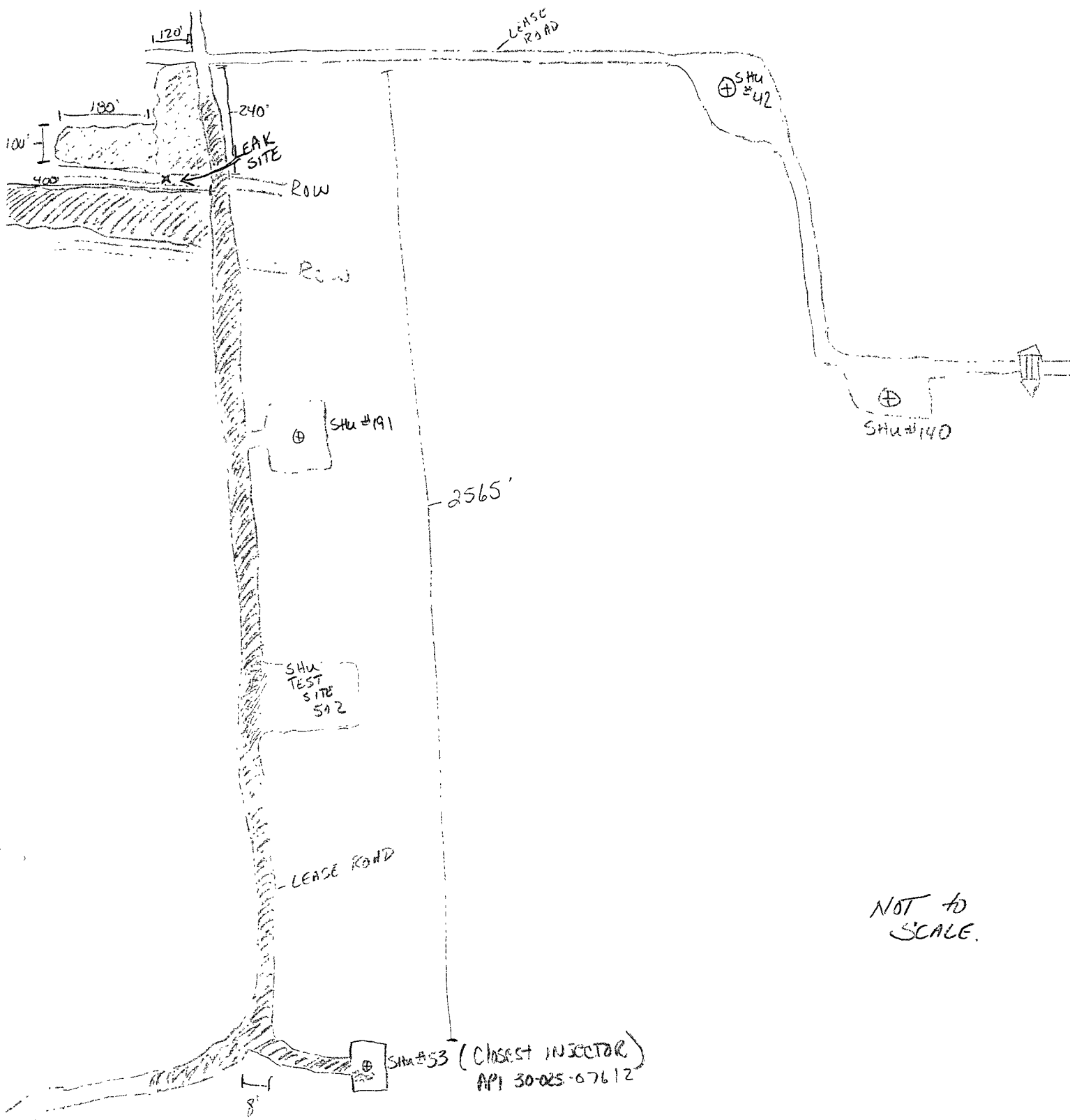
* Attach Additional Sheets If Necessary

FGRL 0834556243

SPILL MAP

PLEASE DRAW SKETCH OF SPILL AND INDICATE WHERE SPILL ORIGINATED.

11/03/2008 8" Fiberglass, H-Pump 7 LINE, 50 PSI, 12,000 bbls/day RATE
LEAK DISCOVERED 2:30PM, ESTIMATED 300-400 Bbls Prod. Water
LEAK SITE UL 'L' SEC. 4, T-19-S, R-38-E - N 32° 41' 16.90" - W 103° 09' 40.90"
LEAK RAN SOUTH INTO UL 'M', SEC 4, T-19-S, R-38-E - MALCOLM COOMBS, LANDOWNER.



NOT TO
SCALE.

MITCHELL ANALYTICAL LABORATORY

2638 Faudree
Odessa, Texas 79765-8538
561-5579

Company: **Nalco Company**

Well Number: South Hobbs Injection
Lease: OXY
Location:
Date Run: 8/28/2008
Lab Ref #: 08-aug-n42251

Sample Temp: 70
Date Sampled: 8/28/2008
Sampled by: Chase Alexander
Employee #:
Analyzed by: DOM

Dissolved Gases

| | | Mg/L | Eq. Wt. | MEq/L |
|------------------|--------------------|---------------------|---------|-------|
| Hydrogen Sulfide | (H ₂ S) | 346.00 | 16.00 | 21.63 |
| Carbon Dioxide | (CO ₂) | NOT ANALYZED | | |
| Dissolved Oxygen | (O ₂) | 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 | (CO ₃ ⁼) | .00 | 30.00 | .00 |
| BiCarbonate | (HCO ₃ ⁻) | 1,784.12 | 61.10 | 29.20 |
| Sulfate | (SO ₄ ⁼) | 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 CaCO ₃ | | 1,967.88 | | |
| Conductivity MICROMHOS/CM | | 15,460 | | |

pH 6.720 Specific Gravity 60/60 F. 1.007

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

November 07, 2008

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

RECEIVED

NOV 12 2008

HOBBS (11)

Attn: Environmental Engineering

RE: Remediation Plan
South Hobbs Unit 8" Injection Trunk line
from Central T/B to Injection Building #7
SHU #53 Closest Injector API No 30-025-07612
UL 'L' and 'M', Sec. 4, T-19-S, R-38-E

Leak occurred on 11/03/2008, at approximately 02:30 PM. An 8" fiberglass trunk line used to transfer injection water from South Hobbs Unit Central T/B to South Hobbs Unit Injection Building #7 ruptured causing spill. Valves on both ends of the trunk line were shut to isolate leak. The line operates at approximately 50 pounds with an approximate 12,000 bbls per day rate. The area affected by this spill is an area measuring approximately 200' X 200' to the north, and 40' X 400' to the south of the leak site in the pasture. Water also ran for ½ mile to the south down a two-track caliche lease road. An estimated 450 barrels of injection water was spilled, and 350 bbls was recovered via vacuum truck. Mr. Malcolm Coombes the surface owner and utilizes the area for equipment storage and cattle grazing on occasion. 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 will be as follows:

1. Piping will be excavated and repaired.
2. Soil samples will be gathered from affected area.
3. NMOCD guidelines will be 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 will be submitted with final closure letter.

November 7, 2008

Page 2

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 fluid and cursive, with the first name "Steven" being the most prominent.

Steven M. Bishop
HES Specialist/Central Operating Area
Steven_Bishop@oxy.com
(575) 397-8251

Attachments: Initial C-141
Hand drawn map of spill site
Analytical data of South Hobbs Unit Injection Water dated 8/28/2008