

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 # 32-111	Facility Type Production

Surface Owner Southwest Supply	Mineral Owner	Lease No.
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LOCATION OF RELEASE

AD # 30025 095280000

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
'D'	32	18-S	38-E					LEA

Latitude N32°42'33.00" Longitude W103°10'37.70"

NATURE OF RELEASE

Type of Release Crude oil and produced water	Volume of Release 15 BO X 20 BW	Volume Recovered 1 BO X 19 BW
Source of Release Wells 4" steel flow line	Date and Hour of Occurrence 08/11/2006 09:00 PM	Date and Hour of Discovery 08/11/2006 09:00 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 08/12/2006 10:30 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

Describe Cause of Problem and Remedial Action Taken.*

North Hobbs Unit #32-111 well shut down due to an electrical storm passing through the Hobbs, NM area. Lease operator went to start the well and found the flow line leaking. Valves were shut at the well head and production header to stop leak. Due to heavy rain at the time it is unknown of the actual volume lost due to this spill. Release volumes are estimated. Picked up all standing fluid via vacuum trucks, 8/12/2006.

Describe Area Affected and Cleanup Action Taken.*

Oil and water ran to the south and east of the well head. A large area approximately 150' to the south of the well is caliche pad where a Texland PXA marker is. An area approximately 50' X 340' to the south and east of the caliche pad also had an oil sheen in the pasture. Affected area and location will be remediated to NMOCD guidelines for spills and leaks.

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>	OIL CONSERVATION DIVISION	
Printed Name: Steven M. Bishop	Approved by District Supervisor:	
Title: HES Technician	Approval Date:	Expiration Date:
E-mail Address: Steven_Bishop@oxy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 08/14/2006	Phone: (505) 397-8251	

* Attach Additional Sheets If Necessary

Incident - n PAC 06 23747685
Application - p PAC 06 23747878

RPT # 1005



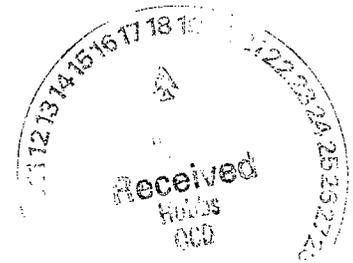
Occidental Permian Limited Partnership

August 14, 2006

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

Attn: Environmental Engineering

RE: Remediation Plan
North Hobbs Unit Well #32-111
UL 'D', Sec. 32, T-18-S, R-38-E



Leak occurred on 08/11/2006, at approximately 09:00 PM. North Hobbs Unit 32-111 shut down due to an electrical storm passing through the Hobbs, NM area. Lease operator went to restart the well and noticed the flow line leak. The area affected by this spill is an area measuring approximately 10'-100' wide and running approximately 500' to the south and east of the well location. Affected area includes caliche pad as well as natural pasture. Leak occurred during a heavy rain so oil was spread thin over a large area. All fluid possible was recovered via vacuum trucks, on the morning of 8/12/2006. An estimated 15 barrels of crude oil and 20 barrels of produced water was spilled. 1 barrel of crude oil and 19 barrels of water, mostly rain water, were recovered. Southwest Supply (Larry Shed) 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 50', for all wells in the area, giving this spill site a ranking of 10. Remediation of the spill site will be as follows:

1. Location will be delineated.
2. Affected soil will be excavated and hauled to Sundance Services, Parabo facility near Eunice, NM.
3. Soil samples will be gathered from affected area.
4. NMOCD guidelines will be used to insure entire site is in compliance with guidelines.
5. Any soils removed will be replaced with clean fresh soils, where needed.

August 14, 2006

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6. Soil analysis data will be submitted with final closure letter.

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 style with a large, stylized initial 'S'.

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

Attachments: Initial C-141
Hand drawn map of spill area

PATE VACUUM TRUCK (Shipman Calbd)

BSC - Cliff Branson 9:36am

Debbie Haveman 9:40AM

SPILL MAP

PLEASE DRAW SKETCH OF SPILL AND INDICATE WHERE SPILL ORIGINATED.

8/11/06 NHU 32-111 Flowline LEAK

N 32° 42' 33.00" W 103° 10' 37.70" ULD Sec 32, T-18-S, R-38E

1580 x 20 BW EST. LOSS GARY W. AX 10:30AM 8/12/06

REC. 130719 BW mostly rain water

↑
TO
SANGA

