

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

RECEIVED State of New Mexico
Energy Minerals and Natural Resources
MAR 27 2009 Oil Conservation Division
HOBSOCD 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 Satellite #2	Facility Type Production

Surface Owner Occidental Permian Limited Partnership	Mineral Owner Occidental Permian Limited Partnership	Lease No. IRP-Unknown SHU #137 API # 30-025-28340
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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
'B'	9	19-S	38-E					LEA

Latitude **North 32°40'49.90"** Longitude **West 103°09'07.40"**

NATURE OF RELEASE

Type of Release Produced oil and water	Volume of Release Estimated 10 BO and 20 BW	Volume Recovered 0 Bbls 5 BO 15 BW
Source of Release 4" fiberglass and 3" steel production flow line	Date and Hour of Occurrence 01/28/2009 07:00 AM	Date and Hour of Discovery 01/28/2009 07:00 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson	
By Whom? Steven M. Bishop	Date and Hour 01/28/2009 08:23 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

WATER @ 20' - 40'

Describe Cause of Problem and Remedial Action Taken.* A 3" X 4" transition nipple between 4" fiberglass and 3" steel production flow line serving South Hobbs Unit well #137 corroded causing spill. Isolated the line by shutting valves at both ends. Picked up all free standing fluid via vacuum truck

Describe Area Affected and Cleanup Action Taken.* Area affected is approximately 20' X 60' to the north of leak site in the pasture, and 10' X 150' north down a caliche lease road. An estimated 10 bbls of crude oil and 20 bbls of produced water was spilled. 5 bo and 15 bw was recovered. Piping was excavated and repaired, samples were 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: <i>Steven M. Bishop</i>	OIL CONSERVATION DIVISION	
Printed Name: Steven M. Bishop	Approved by <i>env. enr.</i> District Supervisor: <i>Jeff Hocking</i>	
Title: HES Specialist	Approval Date: 04/08/09	Expiration Date: -
E-mail Address: Steven_Bishop@oxy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 03/25/2009 Phone: (575) 397-8251		IRP-09-4-2150

* Attach Additional Sheets If Necessary

FGRL0909838700



Occidental Permian Limited Partnership

March 25, 2009

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

RECEIVED

MAR 27 2009

HOBBSOCD

Attn: Environmental Engineering

RE: Final Closure Letter
South Hobbs Unit Producing Well #137 Flow line
East of South Hobbs Unit Satellite #2
UL 'B', Sec. 9, T-19-S, R-38-E
API No. 30-025-28340
1RP-Unknown

Leak occurred on 01/28/2009, at approximately 07:00 AM. A 4" X 3" transition nipple between the 4" fiberglass and 3" steel production flow line serving South Hobbs Unit producing well #137 corroded causing spill. Valves on both ends of the line were shut to isolate leak. The line operates at approximately 35 pounds. The area affected by this spill is an area measuring approximately 20' X 60' to the north of the leak site in the pasture, and 10' X 150' area that ran to the north down a caliche lease road. An estimated 10 barrels of produced oil and 20 barrels of produced water was spilled. Approximately 5 barrels of oil and 15 barrels of water were recovered via vacuum trucks. Occidental Permian Limited Partnership is the surface owner and utilizes the area for oil and gas production exclusively. Depth to ground water according to State Engineers Office is an average of 53', 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. Affected area will be excavated and affected soil will be disposed of at Sundance Services, Parabo facility near Eunice, NM. Approximately 204 cubic yards of soil was disposed of.
3. Soil samples were 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 is being submitted with this final closure letter. Please see attached documentation.

March 25, 2009

Page 2

If you have any questions, or if I can be of further assistance, please contact me at (575) 397-8251.

A handwritten signature in black ink that reads "Steven M. Bishop". The signature is fluid and cursive, with the first name "Steven" and last name "Bishop" clearly legible, and "M." in the middle.

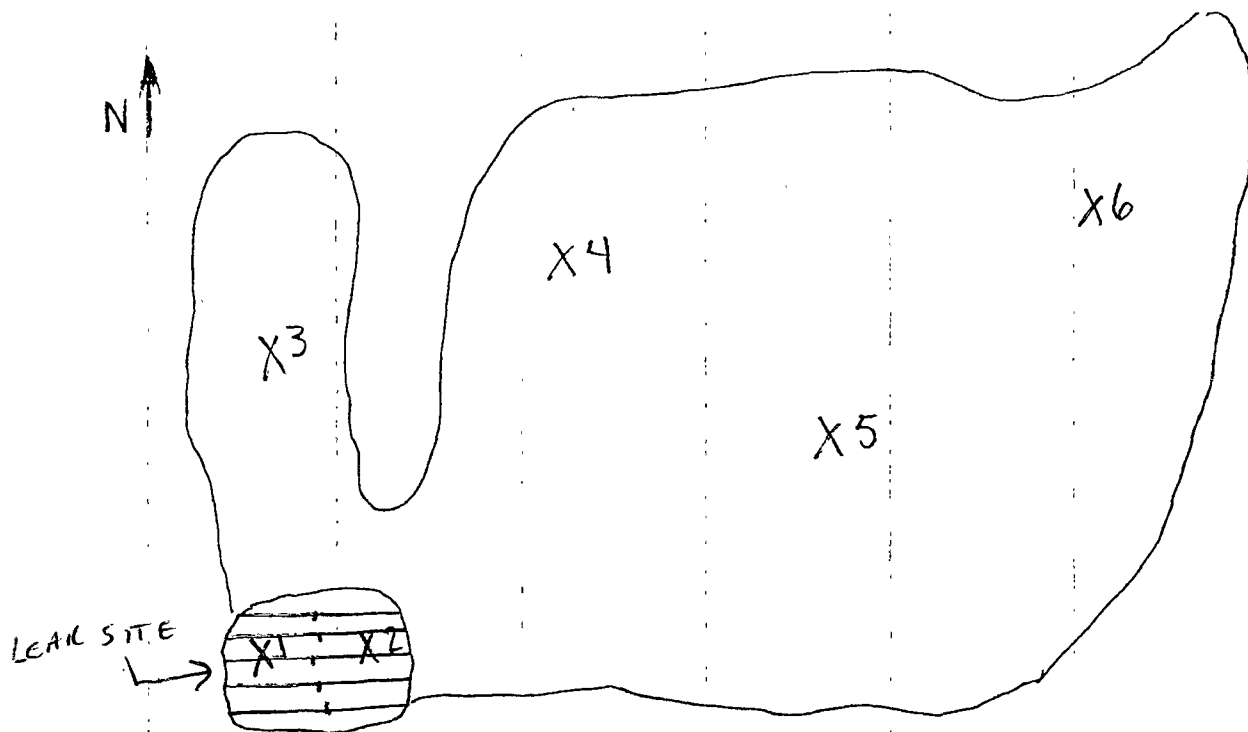
Steven M. Bishop
HES Specialist/Central Operating Area
Steven_Bishop@oxy.com
(575) 397-8251

Attachments: Final C-141
Hand drawn map showing sample points
Cardinal Laboratories soil analysis data dated 03/24/2009 (4 pages)

SHU # 137

Oxy.

3/18/09



SAMPLE POINTS

	TIME
SP. 1	1:15
SP. 2	1:20
SP. 3	1:28
SP. 4	1:35
SP. 5	1:46
SP. 6	1:55



ARDINAL LABORATORIES

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

Receiving Date: 03/18/09
Reporting Date: 03/19/09
Project Owner: OXY
Project Name: SHU #137
Project Location: SOUTH HOBBS

Analysis Date: 03/19/09
Sampling Date: 03/18/09
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: ML
Analyzed By: TR

[illegible]

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

Chas. Keene
Chemist

03/24/09
Date

H17080 BBC

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

Receiving Date: 03/18/09
Reporting Date: 03/20/09
Project Owner: OXY
Project Name: SHU #137
Project Location: SOUTH HOBBS

Sampling Date: 03/18/09
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: ML
Analyzed By: ZL

LAB NUMBER	SAMPLE ID	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)
ANALYSIS DATE		03/19/09	03/19/09	03/19/09	03/19/09
H17080-1	SP 1	<0.050	<0.050	<0.050	<0.300
H17080-2	SP 2	<0.050	<0.050	<0.050	<0.300
H17080-3	SP 3	<0.050	<0.050	<0.050	<0.300
H17080-4	SP 4	<0.050	<0.050	<0.050	<0.300
H17080-5	SP 5	<0.050	<0.050	<0.050	<0.300
H17080-6	SP 6	<0.050	<0.050	<0.050	<0.300
Quality Control		0.050	0.051	0.050	0.150
True Value QC		0.050	0.050	0.050	0.150
% Recovery		100	102	100	100
Relative Percent Difference		3.0	1.8	1.9	2.0
METHOD: EPA SW-846 8021B					

TEXAS NELAP ACCREDITATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE,
AND TOTAL XYLENES.

Cliff Brunson
Chemist

03/24/09
Date

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

Receiving Date: 03/18/09
Reporting Date: 03/23/09
Project Owner: OXY
Project Name: SHU #137
Project Location: SOUTH HOBBS

Sampling Date: 03/18/09
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: ML
Analyzed By: AB

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/kg)	DRO (C ₁₀ -C ₂₈) (mg/kg)
ANALYSIS DATE		03/20/09	03/20/09
H17080-1	SP. 1	<10.0	26.0
H17080-2	SP. 2	<10.0	24.4
H17080-3	SP. 3	<10.0	154
H17080-4	SP. 4	<10.0	146
H17080-5	SP. 5	<10.0	156
H17080-6	SP. 6	<10.0	212
Quality Control		494	556
True Value QC		500	500
% Recovery		98.8	111
Relative Percent Difference		0.6	5.6

METHODS: TPH GRO & DRO: EPA SW-846 8015 M

Cliff Brunson
Chemist

03/24/09
Date

H17080 T BBC

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**CARDINAL LABORATORIES**

101 East Marland, Hobbs, NM 88240
(505) 393-2326 FAX (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: BBC International, Inc. Project Manager: Cliff Brunson Address: P.O. Box 805 City: Hobbs State: NM Zip: 88241 Phone #: 575-397-6388 Fax #: 575-397-0397 Project #: _____ Project Owner: CRY Project Name: SHU - #137 Project Location: South Hobbs Sampler Name: Roger Hernandez				ANALYSIS REQUEST P.O. #: _____ Company: _____ Attn: SAME Address: _____ City: _____ State: _____ Zip: _____ Phone #: _____ Fax #: _____			
--	--	--	--	---	--	--	--

Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX				PRESERV.	SAMPLING	DATE	TIME	CHLORIDE	TPH	BTEX
				GROUNDWATER	WASTEWATER	SOIL	OIL							
H17080-1	SP. 1	✓	1			✓		✓		3/18/09	1:15	✓	✓	✓
-2	SP. 2	✓	1			✓		✓		3/19/09	1:20	✓	✓	✓
-3	SP. 3	✓	1			✓		✓		3/19/09	1:28	✓	✓	✓
-4	SP. 4	✓	1			✓		✓		3/19/09	1:35	✓	✓	✓
-5	SP. 5	✓	1			✓		✓		3/19/09	1:46	✓	✓	✓
-6	SP. 6	✓	1			✓		✓		3/19/09	1:55	✓	✓	✓

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Relinquished By: <i>Roger Hernandez</i> Date: 3/18/09 Time: 3:46	Received By: <i>Cliff Brunson</i> Date: _____ Time: _____	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No (Add'l Phone #: _____) Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No (Add'l Fax #: _____) REMARKS: _____
Relinquished By: _____ Date: _____ Time: _____	Received By: _____ Date: _____ Time: _____	

Delivered By: (Circle One) Sampler - UPS - Bus - Other: _____	Sample Condition Cool Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	CHECKED BY: <i>WJB</i> (Initials)
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† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476