

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

MAR 26 2009

HOBBSOCD

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	Facility Type Production	
Surface Owner Occidental Permian Limited Partnership	Mineral Owner Occidental Permian Limited Partnership	Lease No. <u>1RP-2035</u> (SHU #152) API No. 30-025-28353

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
'A'	9	19-S	38-E					LEA

Latitude North 32°40'52.20" Longitude West 103°06'51.50"

NATURE OF RELEASE

Type of Release Injection Water	Volume of Release Estimated 100 BW	Volume Recovered 0 Bbls
Source of Release 10" cement lined steel injection trunk line	Date and Hour of Occurrence 12/05/2008 05:00 PM	Date and Hour of Discovery 12/05/2008 05:00 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mark Whitaker	
By Whom? Steven M. Bishop	Date and Hour 12/05/2008 05:23 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.* A 10" 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. South Hobbs Unit #152 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 90' X 150' to the north and south of leak site in the pasture. An estimated 100 bbls of produced water was spilled and 0 bbls were recovered. Piping was excavated and repaired, affected area was excavated and soil taken to Sundance Service, Parabo Facility. Samples were taken in affected area and data submitted 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: <u>Steven M. Bishop</u>	OIL CONSERVATION DIVISION <u>[Signature]</u>	
Printed Name: Steven M Bishop	Approved by District Superintendent ENVIRONMENTAL ENGINEER	
Title: HES Specialist	Approval Date: <u>5.19.09</u>	Expiration Date: <u>—</u>
E-mail Address: Steven_Bishop@oxy.com	Conditions of Approval: <u>—</u>	Attached <input type="checkbox"/> <u>1RP 2035</u>
Date: 03/23/2009	Phone: (575) 397-8251	

* Attach Additional Sheets If Necessary



Occidental Permian Limited Partnership

March 23, 2009

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

RECEIVED

MAR 26 2009

HOBBSOCD

Attn: Environmental Engineering

RE: Final Closure Letter

IRP-2035

South Hobbs Unit 10" Injection Trunk line
from Central T/B to Injection Building #1
SHU #152 Closest Injector API No 30-025-28355
UL 'A', Sec. 9, T-19-S, R-38-E

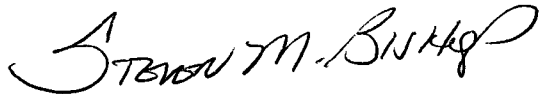
Leak occurred on 12/05/2008, at approximately 05:00 PM. A 10" cement lined steel trunk line used to transfer injection water from South Hobbs Unit Central T/B to South Hobbs Unit Injection Building #1 split causing spill. Valves on both ends of the trunk line were shut to isolate leak. The line operates at approximately 1100 pounds with an unknown bbls per day rate, due to several lines delivering approximately 90,000 bbls to the South Hobbs Unit Injection System. The area affected by this spill is an area measuring approximately 90' X 150' to the north and south of the leak site in the pasture. An estimated 100 barrels of injection water was spilled with none recovered. 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 10. Remediation of the spill site was as follows:

1. Piping was excavated and repaired.
2. Affected area has been excavated and affected soil was disposed of at Sundance Services, Parabo facility near Eunice, NM. Approximately 504 cubic yards was removed from site.
3. Soil samples were be gathered from affected area.
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 final closure letter, please see attached Cardinal Laboratories data attached.

March 23, 2009

Page 2

The attached soil analysis data show only one sample slightly elevated over the others. This sample is under the pipe in the excavation at the original leak site. Due to the close proximity of fiberglass trunk lines and the extremely rocky condition of the ditch line this one spot was not pursued for fear of damaging the lines. Oxy Permian believes that no further damage will result from this leak site and no further work is planned for this site. 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 written in a cursive, flowing style.

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

Attachments: Final C-141
Copy of original hand drawn map of spill site
Hand drawn map of sample points
Cardinal Laboratories soil analysis data dated 03/13/2009 (2 pages)

SPILL MAP

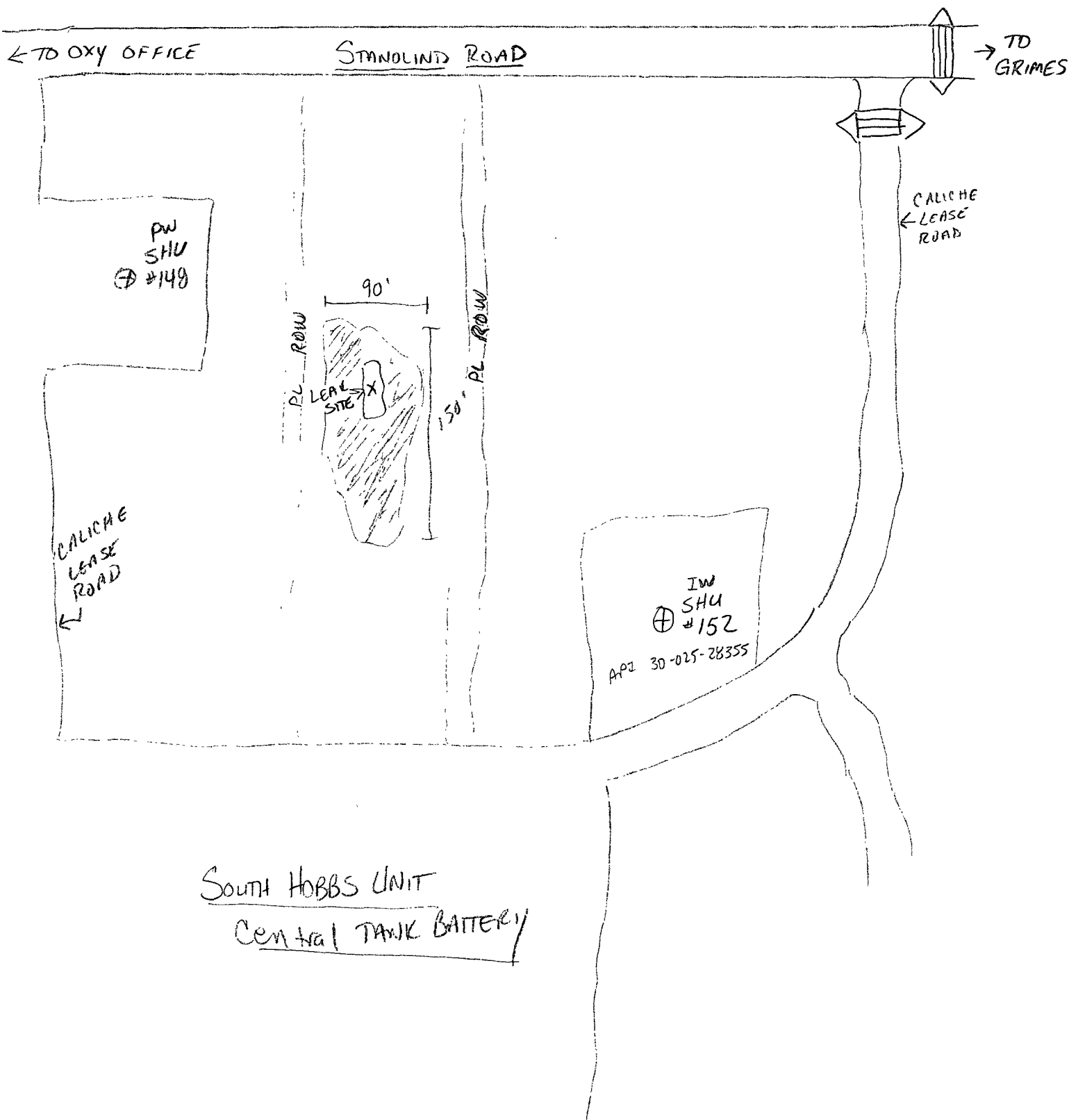
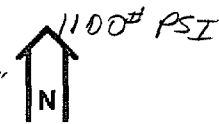
PLEASE DRAW SKETCH OF SPILL AND INDICATE WHERE SPILL ORIGINATED.

12/05/2008 5:00pm 10" Cement lined Steel INTERSECTION TRUNK LINE

44'A', SEC. 9, T-19-S, R-38-E, N 32° 40' 52.20", W 103° 06' 51.50"

0 X 100 BW - 8 BBL Recovered. MARK WHITAKER 5:23PM

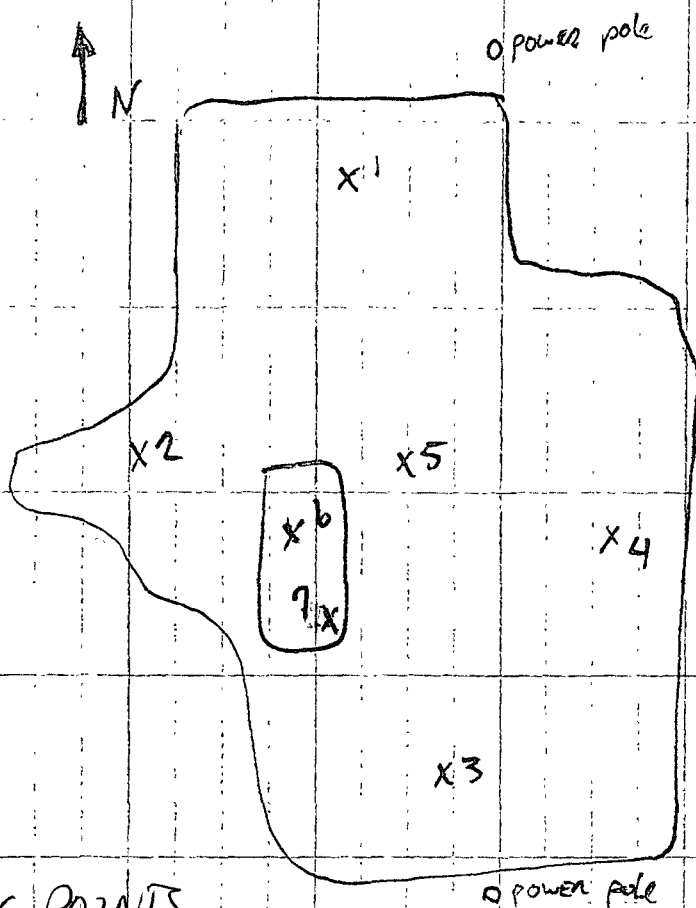
OXY PERMIAN LAND OWNER



oxy

10" SHU, Sec 9

3/11/09



SAMPLE POINTS

	CL-	TIME
SP 1	700	11:00
SP 2	400	11:25
SP 3	500	13:30
SP 4	700	13:45
SP 5	650	14:00
SP 6 Bottom center	600	14:20
SP 7 South East bottom	2600	14:30



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

Receiving Date: 03/12/09
Reporting Date: 03/12/09
Project Owner: OXY
Project Name: 10" SHU. SEC 9
Project Location: SOUTH HOBBS

Analysis Date: 03/12/09
Sampling Date: 03/11/09
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.

Chap Kane
Chemist

Date 03/13/09

H17053 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. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

**• CARDINAL LABORATORIES**

101 East Marland, Hobbs, NM 88240

(505) 393-2328 FAX (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: BBC International, Inc.				BILL TO				ANALYSIS REQUEST											
Company Manager: Cliff Brunson				P.O. #:															
Address: P.O. Box 805				Company:															
City: Hobbs		State: NM		Zip: 88241		Attn: SAME													
Phone #: 575-397-6388		Fax #: 575-397-0397		Address:		City:													
Project #:		Project Owner: Oxy		State:		Zip:													
Project Name: 10" SHU. Sec 9		Project Location: South Hobbs		Phone #:		Fax #:													
Sampler Name: Roger Hernandez																			

FOR LAB USE ONLY		GRAB OR (COMP. #)	# CONTAINERS	MATRIX					PRESERV.		SAMPLING			
Lab I.D.	Sample I.D.			GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER :	ACID/BASE	ICE / COOL	OTHER :		DATE
H17053-1	SP 1	C	1			✓				✓		3-11-09	1100	✓
-2	SP 2	C	1			✓				✓		3-11-09	1125	✓
-3	SP 3	C	1			✓				✓		3-11-09	1330	✓
-4	SP 4	C	1			✓				✓		3-11-09	1345	✓
-5	SP 5	C	1			✓				✓		3-11-09	1400	✓
-6	Bottom center	C	1			✓				✓		3-11-09	1420	✓
-7	South east bottom	C	1			✓				✓		3-11-09	1430	✓

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 the client for the 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 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. Limitations of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By: <i>Roger Hernandez</i>		Date: <i>3/11/09</i>	Received By: <i>Christy LeBut</i>	Date: <i>3/12/09</i>	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
Time: <i>9:21</i>					Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:		Date:	Received By:		REMARKS:	
Time:						

Delivered By: (Circle One)		Sample Condition	CHECKED BY:
Sampler - UPS - Bus - Other:		Cool <input type="checkbox"/> Intact <input type="checkbox"/>	(Initials)
		Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>UCB</i>

† Cardinal cannot accept verbal changes. Please fax written changes to 605-393-2476