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 MAR 12 2010

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HOBRSOUD

Form C-141 Revised October 10, 2003

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Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back

Oil Conservation Division 1220 South St. Francis Dr. ATA EA NINA OTEAE a

Santa Fe,	INIVI 8	/303		
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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 Lease No. Occidental Permian Limited Partnership Cocidental Permian Limited Partnership Lease No. Unit Letter Section Township Range Feet from the North/South Line Feet from the Court	Release Notification and Corrective Action												
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Printed Name: Steven M Bishop		e: Steven M				ð	Approved by	ENU ENDINEE District Supervis	R: or:	he-PO io	, All		
Title: HES Specialist Approval Date: 04/26/10 Expiration Date: 06/28/10							Approval Da	te: 04/26/18		Expiration	O Date: 06(7)	5	
E-mail Address: Steven Bishon@oxy.com						Conditions of Approval: SUBMET RUND?							
Date: 03/10/2010 Phone. (575) 397-8251 C-14(BY 06128/10 RP-10-4.2487						Attached					1187-		

* Attach Additional Sheets If Necessary



March 10, 2010

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RECEIVED

MAR 1 2 2010 HOB550CD

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

Attn: Environmental Engineering

RE: Remediation Plan South Hobbs Unit Satellite #2 6" Trunk Line 100 Yards NE of South Hobbs Unit Satellite #2 UL 'B', Sec. 9, T-19-S, R-38-E

Leak occurred on 03/05/2010, at approximately 11:30 AM. A 6" steel production trunk line used to transfer fluid from South Hobbs Unit Production Header #4 to South Hobbs Unit Satellite #2 developed a leak causing spill. Valves on both ends of the line were shut to isolate leak. The line operates at approximately 40 pounds. The area affected by this spill is an area measuring approximately 30' X 100' at the leak site in the pasture. An estimated 10 barrels of produced water and a trace of oil was spilled. The fluid soaked into the soil, no fluid was 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 will be as follows:

- 1. Piping will be excavated and repaired.
- 2. Affected area will be excavated and affected soil will be disposed of at Sundance Services, Parabo facility near Eunice, NM.
- 3. 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.

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

STON M SISAP

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Attachments: Initial C-141