

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

RECEIVED

MAR 12 2010

HOBBSD

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.
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LOCATION OF RELEASE

NEARBY WELL S-HOBBS 9/SQU UNIT 064
API # 30-025-07669-00-00

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 32.68092° Longitude West 103.15221°

NATURE OF RELEASE

Type of Release Produced oil and water	Volume of Release Estimated Trace oil and 10 BW	Volume Recovered 0 Bbls
Source of Release 6" steel production trunk line	Date and Hour of Occurrence 03/05/2010 11:30 AM	Date and Hour of Discovery 03/05/2010 11:30 AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour N/A	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

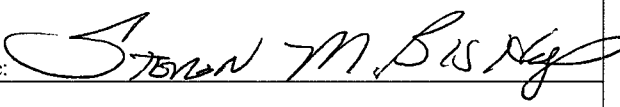
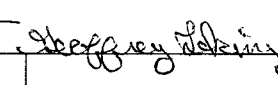
If a Watercourse was Impacted, Describe Fully. * N/A

WATER = 25'

Describe Cause of Problem and Remedial Action Taken. * A 6" steel production trunk line used to transfer produced fluid from South Hobbs Unit Production Header #4 to South Hobbs Unit Satellite #2 developed a hole causing spill. Isolated the line by shutting valves at both ends.

Describe Area Affected and Cleanup Action Taken. * Spill is approximately 100 yds NE of South Hobbs Unit Satellite #2. Area affected is approximately 30' X 100', in the pasture, at the leak site. An estimated 10 bbls of produced water and a trace of oil was spilled. No fluid was recovered. Piping will be excavated and repaired, 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 : 	
Title: HES Specialist		Approval Date: 04/26/10	Expiration Date: 06/28/10
E-mail Address: Steven_Bishop@oxy.com		Conditions of Approval: SUBMIT FINAL	Attached <input type="checkbox"/>
Date: 03/10/2010	Phone: (575) 397-8251	C-141 BY 06/28/10	REF-10-4-2487

* Attach Additional Sheets If Necessary



Occidental Permian Limited Partnership

March 10, 2010

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

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HOBBSOCD

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.

March 10, 2010

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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 style with a large, stylized "S" at the beginning.

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

Attachments: Initial C-141