



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

16-Oct-07

OXY USA WTP LIMITED PARTNERSHIP

PO Box 4294

Houston TX 77210-4294

LOV NO. 02-198-07

LETTER OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

BIG WALT 2 STATE No.002

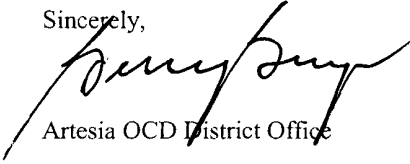
J-2-22S-24E

30-015-27509-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/16/2007	Initial Incident Inspection	Gerry Guye	Yes	No	11/5/2007	iGEG0728930536
Violations						
Surface Leaks/Spills						
Comments on Inspection: C-141 received Oct 11, 2007 indicating no immediate notification given (Violation Rule 116). Volume of Release indicates 750 bbls of water and 12 bbls of oil released, however volume of recovery indicates 500 bbls oil. Sampling and workplan preparation must be approved by OCD prior to Corrective Action Due Date.						

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,



Artesia OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas

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 OXY USA WTP LP	Contact RICK KERBY, IES SPECIALIST
Address 102 S. Main St., POB 1988, Carlsbad, NM 88220	Telephone No. 505-887-8337
Facility Name Big Walt	Facility Type Central Tank Battery
Surface Owner BLM	Mineral Owner _____ Lease No. _____

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	2	22 South	24 East					Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Water/Oil	Volume of Release 750 bbls wtr 12 bbls oil	Volume Recovered 500 bbls oil
Source of Release Leak on Gun Barrel	Date and Hour of Occurrence 10/04/07 09:30a.m.	Date and Hour of Discovery 10/04/07 10:30a.m.
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.* Not applicable		
Describe Cause of Problem and Remedial Action Taken.* Air compressor failed, so dump valves to gun barrel hung open, which blew piping and bottom out of tank. Vacuum truck called and picked up what it could before water soaked into ground.		
Describe Area Affected and Cleanup Action Taken.* Most of fluid stayed on location. Ground will be allowed to dry, soil samples will be collected, and a work plan will be formulated and submitted to NMOCD.		
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 ACCEPTED FOR RECORD Approved by District Supervisor:	
Printed Name: Rick Kerby		
Title: IES Specialist	Approval Date:	Expiration Date: OCT 16 2007
E-mail Address: rick_kerby@oxy.com	Conditions of Approval:	Gerry Guye, Deputy Field Inspector NMOCD-District II-ARTESIA
Date: 10/11/2007 Phone: 505-887-8337 (O) 505-390-8639 (C)		

* Attach Additional Sheets If Necessary

**OXY USA WTP LP**

102 S. MAIN ST. / P.O. BOX 1988
CARLSBAD, NM 88220
PHONE: 505-887-8337
FAX: 505-887-8350

FACSIMILE TRANSMITTAL SHEET

To:	From:
Mike Bratcher	Rick Kerby
Fax Number:	Date:
505-748-9720	October 11, 2007
Company:	Total No of Pages (Including this Cover):
NMOCD	2
Phone Number:	Re:
505-748-1283 ext. 108	Spill Notification, Eddy County, NM

☒ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ PLEASE RECYCLE

NOTES/COMMENTS: