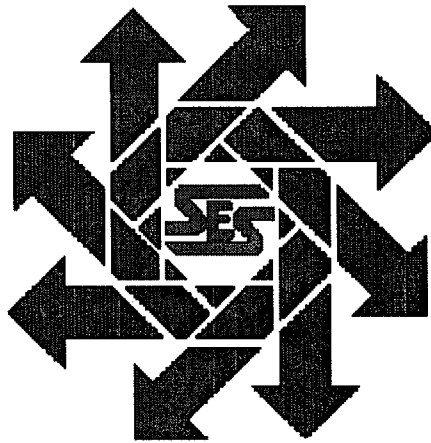


**Oxy USA
Myers Langlie Mattix
Northwest Water Injection Trunk Line
Closure Report
Unit O, Section 31, Township 23S, Range 37E
Lea County, New Mexico**

April 1, 2005



*IRP-203
10.13.05*

Prepared for:

**Oxy USA
1017 W. Stanolind Road
Hobbs, New Mexico 88240**

By:

***Safety & Environmental Solutions, Inc.
703 E. Clinton Suite 102
Hobbs, New Mexico 88240
(505) 397-0510***

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I. Company Contacts

Rick Kerby	Oxy USA	505-393-2174	rick_kerby@oxy.com
Bob Allen	SESI	505-397-0510	ballen@sesi-nm.com

II. Background

Safety & Environmental Solutions, Inc. (SESI) was contracted by Oxy USA to perform assessment and cleanup services on an area identified as the Myers Langlie Mattix Northwest Water injection Trunk Line. The subject site is an injection line leak area located in Section 31, Township 23S, Range 37E, Lea County, New Mexico.

III. Contaminant and Size of Area

The suspected contaminate was produced water from a flat plug on a 4" injection lateral that rusted out. Approximately 20 barrels of fluid was released, approximately one (1) barrel of oil and nineteen (19) barrels of brine. Eighteen barrels of fluid were recovered. The suspected contaminant was classified as an exempt oilfield waste. No evidence of other contaminants was observed.

IV. Surface and Ground Water

According to the database provided by the New Mexico State Engineer's Office the nearest groundwater of record is in Section 32 of the same range and township. The depth of water in the well was 106 feet on June 23, 1996.

V. Soils

The soils in the area are predominantly sand and sandy loam.

VI. Work Performed

The cleanup level reached by the application of the "**Guidelines for Remediation of Leaks, Spill and Releases**" *New Mexico Oil Conservation Division* – August 13, 1993 to this site is 5000 ppm Total Petroleum Hydrocarbon (TPH). Application of the New Mexico Oil Conservation Division's ranking criteria for contaminated soils at this site is presented below.

Depth to Ground Water:	0 points
Distance to Well Head or Water Source:	0 points
Distance to Surface Water/Waterways:	0 points
Total Score:	0 points

One June 16, 2004 Oxy USA excavated approximately 216 yards of hydrocarbon stained soils. The contaminated soil was transported to Sundance Services for disposal. After excavation Oxy retrieved six (6) samples inside the spill area, four (4) samples outside the spill area and one (1) composite sample. All samples were sent under Chain of Custody to Cardinal Laboratories of Hobbs, New Mexico. All samples were analyzed for Chlorides (Cl⁻) (EPA Method 4500-Cl⁻B), and TPH (EPA Method 8015). The results of the analysis are as follows:

Date	Sample ID	Cl ⁻	GRO	DRO
7/19/04	A	32	<10.0	<10.0
7/19/04	B	48	<10.0	<10.0
7/19/04	C	16	<10.0	<10.0
7/19/04	D	16	<10.0	<10.0
7/19/04	Composite	1120	<10.0	113
7/19/04	1 @ 4½'	1420	<10.0	53.3
7/19/04	2 @ 3'	1056	<10.0	321
7/19/04	3 @ 4½'	912	<10.0	25.0
7/19/04	4 @ 2'	1870	<10.0	<10.0
7/19/04	5 @ 1'	736	<10.0	12.7
7/19/04	6 @ 2'	464	<10.0	1600

Approximately 216 yards of clean soil was purchased from the landowner and used to backfill the excavation.

On February 8, 2005 SESI drilled five (5) boreholes to a depth of 3'. Grab samples were retrieved at the 3' depth. All samples were sent under Chain of Custody to Cardinal Laboratories. The samples were analyzed for Chlorides (EPA Method 4500-Cl⁻B), TPH (EPA Method 418) and Benzene, Toluene, Ethyl Benzene, and Total Xylenes (BTEX) (EPA Method 8260). The results of the analysis are as follows:

Date	Sample ID	Cl ⁻	TPH	Benzene	Toluene	Ethyl Benzene	Total Xylenes
2/8/05	BH #1 3'	800	<10	<0.005	<0.005	<0.005	<0.015
2/8/05	BH #2 3'	480	1140	<0.005	<0.005	<0.005	0.094
2/8/05	BH #3 3'	960	<10	<0.005	<0.005	<0.005	<0.015
2/8/05	BH #4 3'	1280	<10	<0.005	<0.005	<0.005	<0.015
2/8/05	BH #5 3'	976	<10	<0.005	<0.005	<0.005	<0.015

VII. Request for Closure

There was a slight elevation of the TPH level in Borehole #2, which is in the immediate vicinity of the leak site. The Chloride levels are all under 1,000 ppm at the 3' depth with the exception of Borehole #4, which is 1280 ppm.

Due to the proximity of the groundwater SESI requests no further action be required at this site.

VIII. Figures & Appendices

Figure 1 - Vicinity Map

Figure 2 - Site Plan

Appendix A – C-141

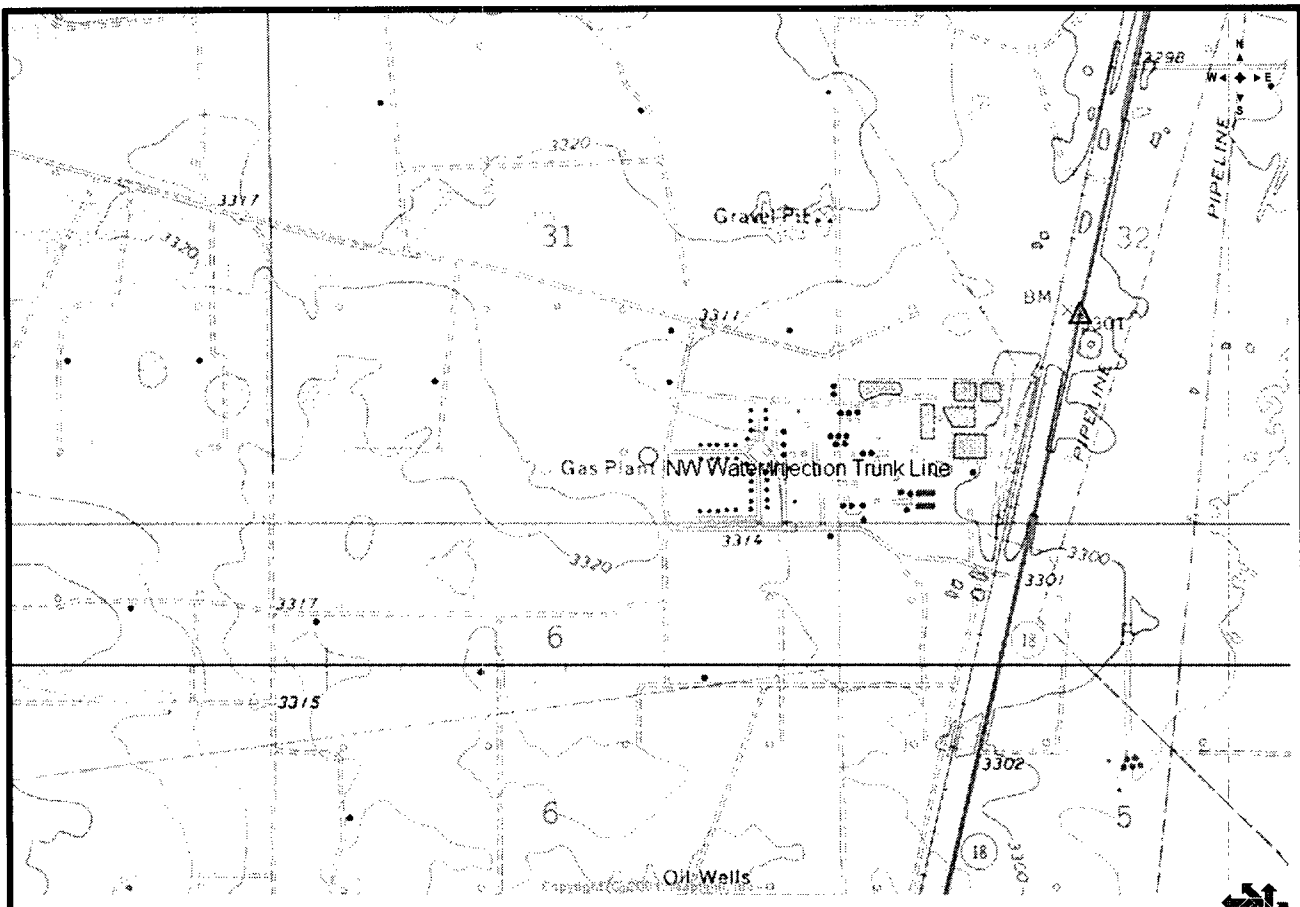
Appendix B - Oxy Analytical Results

Appendix C - SESI Analytical Results

Appendix D - Site Photos

Figure 1

Vicinity Map



OXY USA

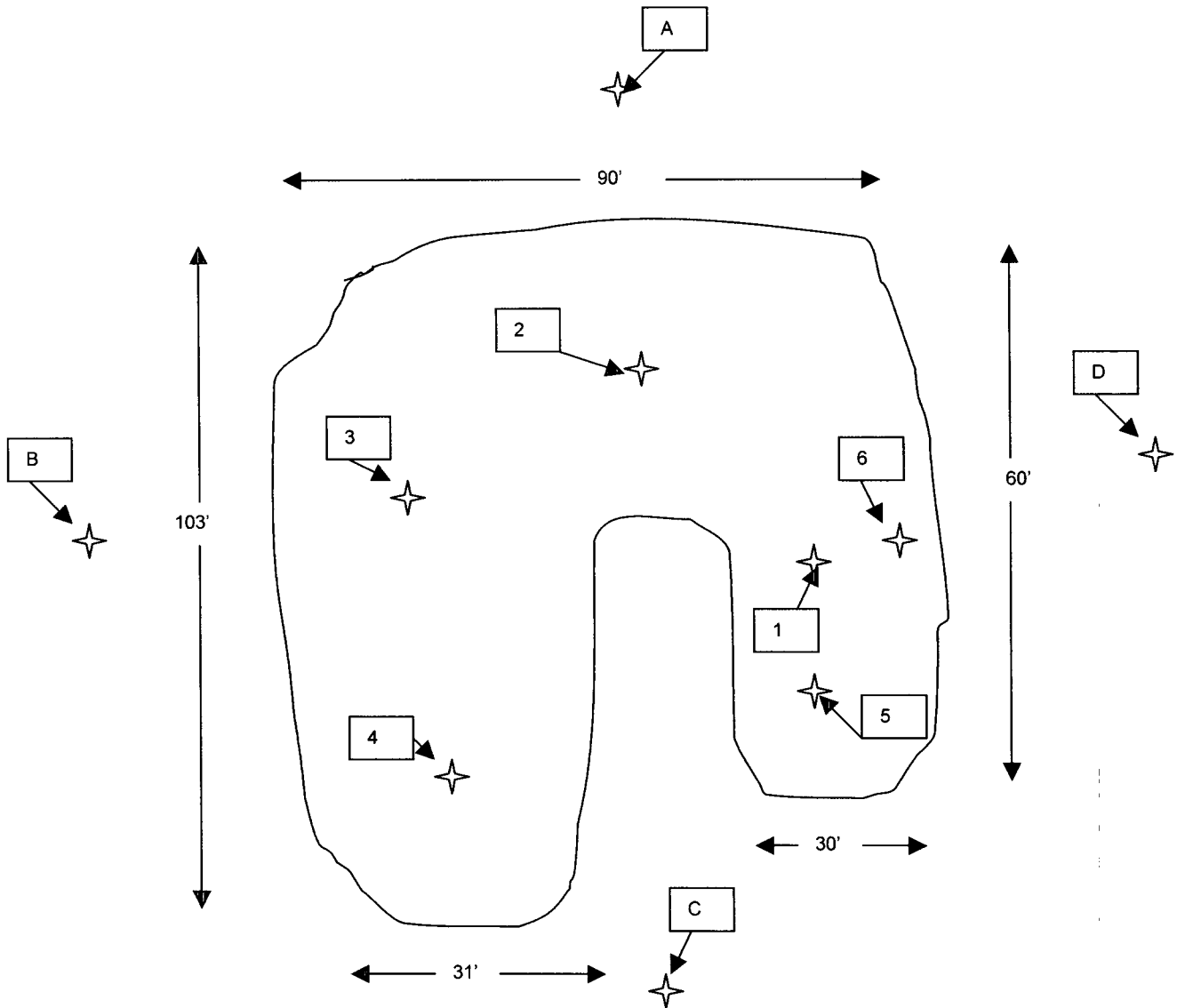
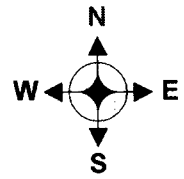
NW Water injection Trunk Line
S 31, T23S, R37E
Lea County, New Mexico

Safety & Environmental Solutions, Inc.



Figure 2
Site Plan

Oxy Samples



Not to Scale

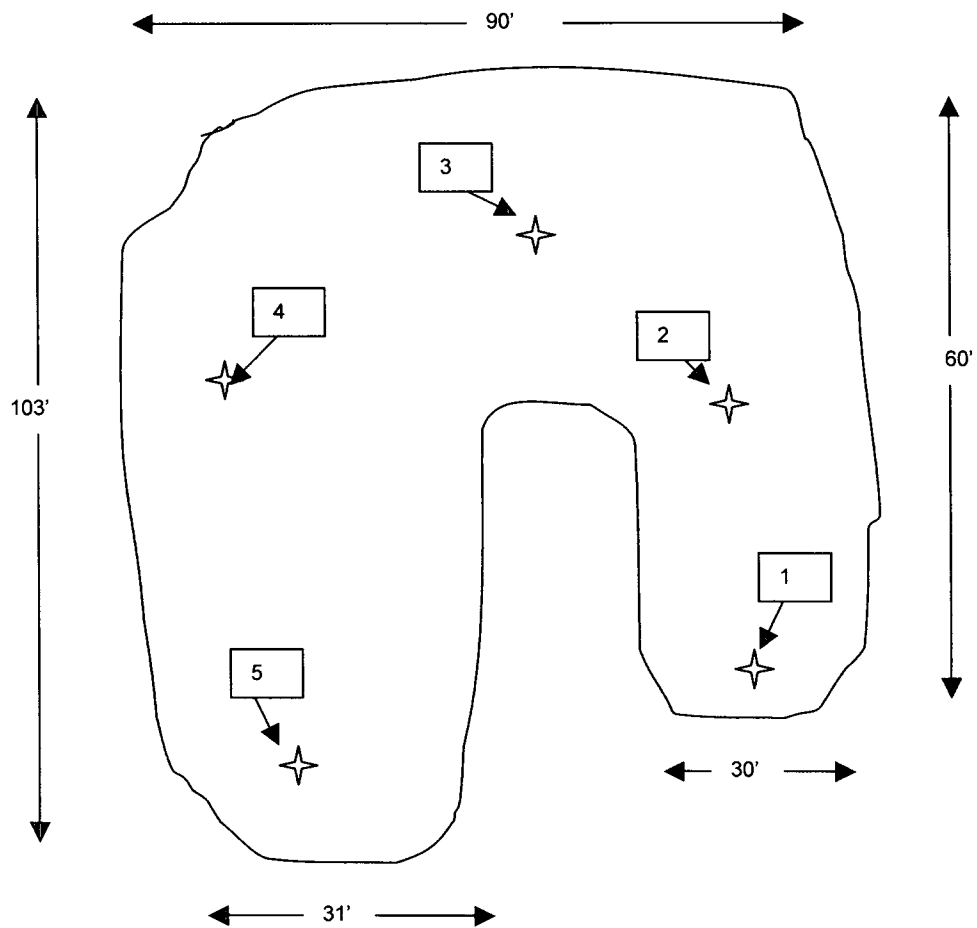
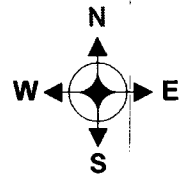
Oxy USA
Site Plan

NW Water injection Trunk Line
S 31, T23S, R37E
Lea County, New Mexico

Safety & Environmental
Solutions, Inc.



SESI Samples



Not to Scale



Oxy USA
Site Plan

NW Water injection Trunk Line
S 31, T23S, R37E
Lea County, New Mexico

Safety & Environmental
Solutions, Inc.

Appendix A

C-141

Appendix B

Oxy Analytical Results



ARDINAL LABORATORIES

PHONE (325) 873-7031 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR OXY USA

ATTN: RICK KERBY
1017 W. STANOLIND RD.
HOBBS, NM 88240
FAX TO: (505) 397-8205

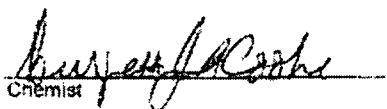
Receiving Date: 07/16/04
Reporting Date: 07/20/04
Project Number: NOT GIVEN
Project Name: MLMU NW WTR INJ.
Project Location: MYERS LANGLE MATTIX

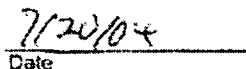
Sampling Date: 07/16/04
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: BC/HM

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (C ₁₀ -C ₂₈) (mg/Kg)	CI* (mg/Kg)
		07/19/04	07/19/04	07/19/04
H8921-1	A	<10.0	<10.0	32
H8921-2	B	<10.0	<10.0	46
H8921-3	C	<10.0	<10.0	16
H8921-4	D	<10.0	<10.0	16
H8921-5	COMPOSITE	<10.0	113	1120
H8921-6	1	<10.0	53.3	1420
H8921-7	2	<10.0	321	1066
H8921-8	3	<10.0	25.0	912
H8921-9	4	<10.0	<10.0	1870
H8921-10	5	<10.0	12.7	738
H8921-11	6	<10.0	1800	484
Quality Control		743	730	990
True Value QC		800	800	1000
% Recovery		92.9	91.3	89.0
Relative Percent Difference		2.5	6	1.0

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; CI: Std. Methods 4500-CIB

*Analyses performed on 1:4 w/v aqueous extracts.


Chemist


Date

H8921T.XLS

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.

Appendix C

SESI Analytical Results



ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
SAFETY & ENVIRONMENTAL SOLUTIONS, INC.
ATTN: BOB ALLEN
703 E. CLINTON, #102
HOBBS, NM 88240
FAX TO: (505) 393-4388


Receiving Date: 02/08/05
Reporting Date: 02/09/05
Project Number: OXY-05-004
Project Name: NW WATER INJECTION TRUNK LINE
Project Location: NOT GIVEN

Sampling Date: 02/08/05
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: BC/AH

LAB NUMBER	SAMPLE ID	TPH (mg/Kg)	CI* (mg/Kg)	BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL BENZENE (mg/Kg)	TOTAL XYLENES (mg/Kg)
ANALYSIS DATE:		02/08/05	02/09/05	02/09/05	02/09/05	02/09/05	02/09/05
H9534-1	BH #1 3'	<10	800	<0.005	<0.005	<0.005	<0.015
H9534-2	BH #2 3'	1140	480	<0.005	<0.005	<0.005	0.094
H9534-3	BH #3 3'	<10	960	<0.005	<0.005	<0.005	<0.015
H9534-4	BH #4 3'	<10	1280	<0.005	<0.005	<0.005	<0.015
H9534-5	BH #5 3'	<10	976	<0.005	<0.005	<0.005	<0.015
Quality Control		253	960	0.097	0.097	0.095	0.288
True Value QC		240	1000	0.100	0.100	0.100	0.300
% Recovery		105	96.0	96.8	97.2	95.4	96.0
Relative Percent Difference		7.6	3.0	3.3	2.9	4.8	4.2

METHODS: TRI/HC-EPA 600/4-79-020 418.1, CI-Std. Methods 4500-CIB; BTEX-EPA SW-846 8260

*Analyses performed on 1:4 w/v aqueous extracts. Matrix interference (color) observed.

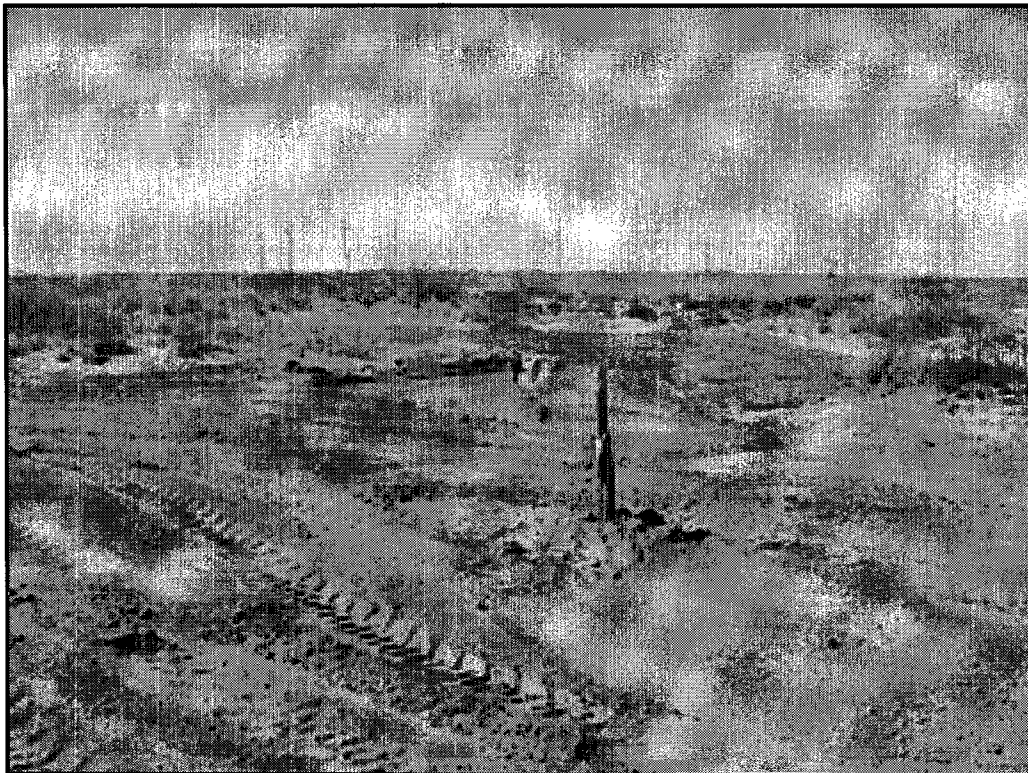
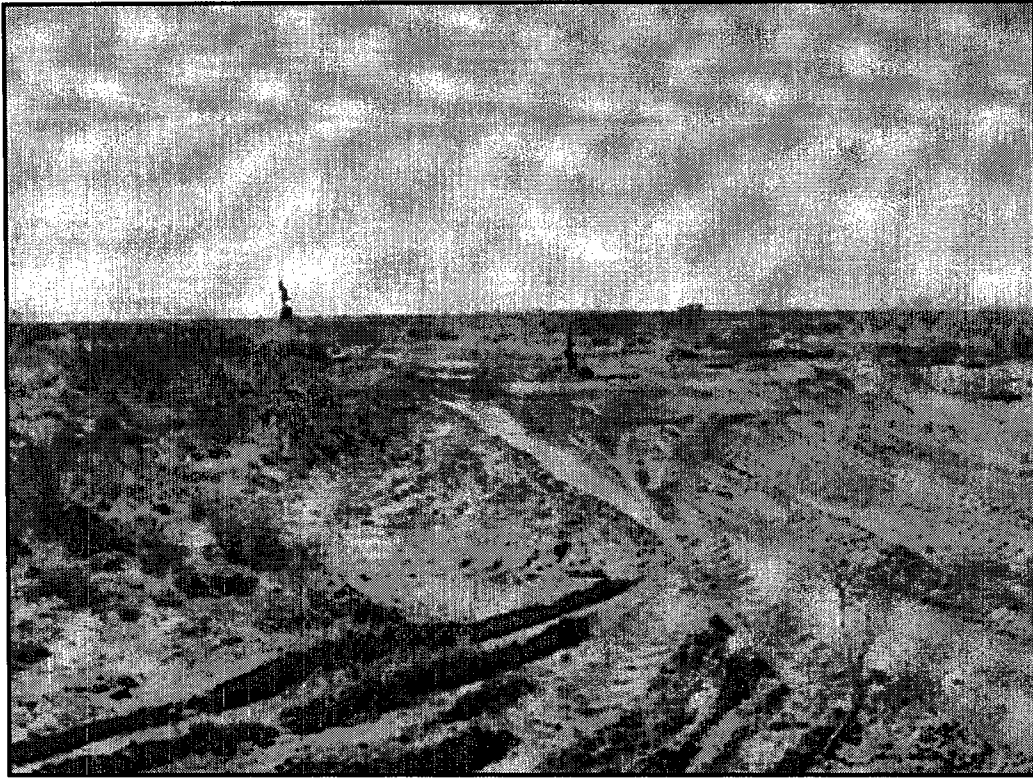

Burgess J. A. Cooke, Ph. D.

2/9/05
Date

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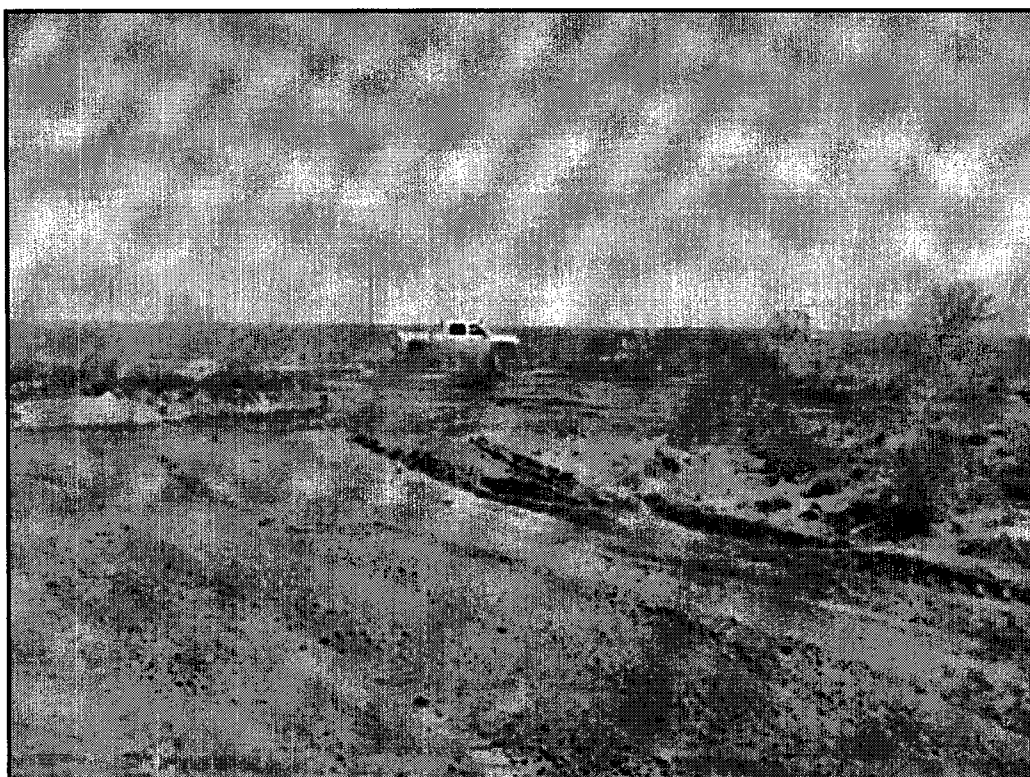
Appendix D

Site Photos





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ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
SAFETY & ENVIRONMENTAL SOLUTIONS, INC.
ATTN: BOB ALLEN
703 E. CLINTON, #102
HOBBS, NM 88240
FAX TO: (505) 393-4388

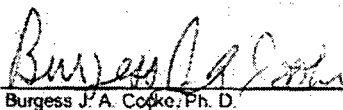
Receiving Date: 02/08/05
Reporting Date: 02/09/05
Project Number: OXY-05-004
Project Name: NW WATER INJECTION TRUNK LINE
Project Location: NOT GIVEN

Sampling Date: 02/08/05
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: BC/AH

LAB NUMBER	SAMPLE ID	TPH (mg/Kg)	CI* (mg/Kg)	BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL BENZENE (mg/Kg)	TOTAL XYLENES (mg/Kg)
ANALYSIS DATE:		02/08/05	02/08/05	02/09/05	02/09/05	02/09/05	02/09/05
H9534-1	BH #1 3'	<10	800	<0.005	<0.005	<0.005	<0.015
H9534-2	BH #2 3'	1140	480	<0.005	<0.005	<0.005	0.094
H9534-3	BH #3 3'	<10	980	<0.005	<0.005	<0.005	<0.015
H9534-4	BH #4 3'	<10	1280	<0.005	<0.005	<0.005	<0.015
H9534-5	BH #5 3'	<10	976	<0.005	<0.005	<0.005	<0.015
Quality Control		253	960	0.097	0.097	0.095	0.288
True Value QC		240	1000	0.100	0.100	0.100	0.300
% Recovery		105	96.0	96.6	97.2	95.4	96.0
Relative Percent Difference		7.6	3.0	3.3	2.9	4.8	4.2

METHODS: TRPHC-EPA 600/4-79-020 418.1, CI-Std. Methods 4500-CIB, BTEX-EPA SW-846 8260

*Analyses performed on 1:4 w:v aqueous extracts. Matrix interference (color) observed.


Burgess J. A. Cooke, Ph. D.

2/9/05
Date

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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 19, 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
Address 1017 W. Stanolind Rd. Hobbs, NM 88240	Telephone No. (O) 393-2174 C) 631-4972
Facility Name Myers Langelie Mattix	Facility Type Water Injection Trunk Line
Surface Owner Deep Wells Ranch	Mineral Owner
	Lease No.

LOCATION OF RELEASE

Unit Letter	Section 31	Township T24S	Range R37E	Feet from the NW/4	North/South Line	Feet from the SE/4	East/West Line	County
-------------	------------	---------------	------------	--------------------	------------------	--------------------	----------------	--------

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 20 bbl	Volume Recovered 18
Source of Release Hole in Injection Line	Date and Hour of Occurrence 6-7-04	Date and Hour of Discovery 6-7-04
	7:44	09:30 AM
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.*		
Describe Cause of Problem and Remedial Action Taken.* Hole in injection line leaked produced water into sandy pasture. Leak was stopped, free water picked up and area fenced in		
Describe Area Affected and Cleanup Action Taken.* If shaped area in pasture app 110' x 30' in sand. Water was picked up and soil will be allowed to dry. NMOCD will be notified and cleanup plan submitted before any remedial work done.		
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
Signature:	Approved by District Supervisor:	
Printed Name: Rick Kerby		
Title: IIES Tech	Approval Date:	Expiration Date:
E-mail Address: rick_kerby@oxy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 6-7-04	Phone: 631-4972	

* Attach Additional Sheets If Necessary