



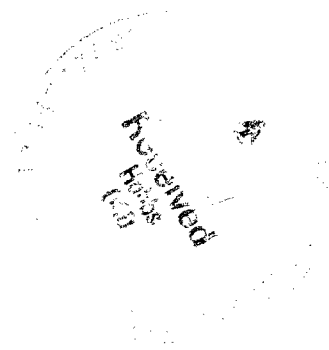
Occidental Permian Limited Partnership

May 14, 2007

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

Attn: Environmental Engineering

RE: Remediation Plan
South Hobbs Unit 8" Injection Trunk Line
1200 Block of South Hannah Road
UL 'L', Sec. 3, T-19-S, R-38-E



Leak occurred on 05/12/2007, at approximately 02:00 PM. An 8" cement lined steel trunk line used to transfer injection water from South Hobbs Unit Central T/B to South Hobbs Unit Injection wells along Leech Street ruptured causing spill. Valves on both ends of the trunk line were shut to isolate leak. The line operates at approximately 1100 pounds and has a rate of approximately 18,000 barrels per day. Produced water ran south on Hannah collecting on both sides due to the street not having curbing. Water also ran down the city street curbing all the way to the intersection of Palace and Rainbow where the water pooled. There were no city sewer drains along the route of the water, please see attached map of the water route. An estimated 320 barrels of injection water was spilled, no oil was spilled. All fluid possible was picked up via vacuum truck, recovering 280 bbls, some may have been rain water. Most fluid was picked up, along both sides of Hannah Road and at the intersection of Palace and Rainbow. Hobbs Fire Department rinsed water route area with Micro Blaze foam to decrease any smell. Damage to area is minimal due to mostly cement and pavement along the water route. Area of spill site will be remediated. Depth to ground water according to State Engineers Office is an average of 46', for all wells in the area, giving this spill site a ranking of 20. Remediation of the spill site will be as follows:

1. Piping will be excavated and repaired.
2. Soil samples will be gathered from ditch line at spill site.
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. City Streets will be repaired
6. Soil analysis data will be submitted with final closure letter.

May 14, 2007
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If you have any questions, or if I can be of further assistance, please contact me at (505) 397-8251.

A handwritten signature in black ink that reads "Steven M. Bishop". The signature is fluid and cursive, with the first name "Steven" and last name "Bishop" clearly legible, and "M." in the middle.

Steven M. Bishop
HES Technician/Hobbs RMT
Steven_Bishop@oxy.com
(505) 397-8251

Attachments: Initial C-141
Hand drawn map of spill site and water route
Analytical data of South Hobbs Unit Injection Water dated 03/23/2007

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 Occidental Permian Limited Partnership	Contact Steven M. Bishop	
Address 1017 West Stanolind Road, Hobbs, N.M. 88240	Telephone No. (505) 397-8251	
Facility Name South Hobbs Unit Injection System	Facility Type Production	
Surface Owner City of Hobbs	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
'L'	3	19-S	38-E					LEA

Latitude N32°41'16.00" Longitude W103°08'31.30"

NATURE OF RELEASE

Type of Release Injection Water	Volume of Release Est. 320 Bbls	Volume Recovered 280 Bbls
Source of Release 8" Cement Lined Steel Injection Line	Date and Hour of Occurrence 05/12/2007 02:00 PM	Date and Hour of Discovery 05/12/2007 02:00 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 05/12/2007 03:20 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

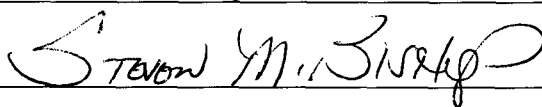
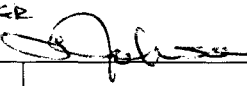
Describe Cause of Problem and Remedial Action Taken.*

An 8" cement lined steel injection line, buried under Hannah Road, approximately 450' south of the intersection of Hannah Road and Texas Street in Hobbs, New Mexico developed a pin hole causing leak. Valves were closed isolating leak until repairs can be made. All free standing fluid was picked up, via vacuum truck, recovering 280 bbls of water, some possible rain water.

Describe Area Affected and Cleanup Action Taken.*

Water pooled along Hannah street, adjacent to the leak site and south towards Castle Street. Water also pooled in the intersection of Palace and Rainbow. All free standing fluid was picked up via vacuum truck, mostly gathered along Hannah and at the intersection of Palace and Rainbow. 280 bbls of water was recovered some that may have been rain water. Fire department rinsed water route area with micro blaze foam. Impact was minimal due to water running along curbing and pavement. No city sewer drains were along the route of the water. Hobbs Police and Fire Departments did respond to area.

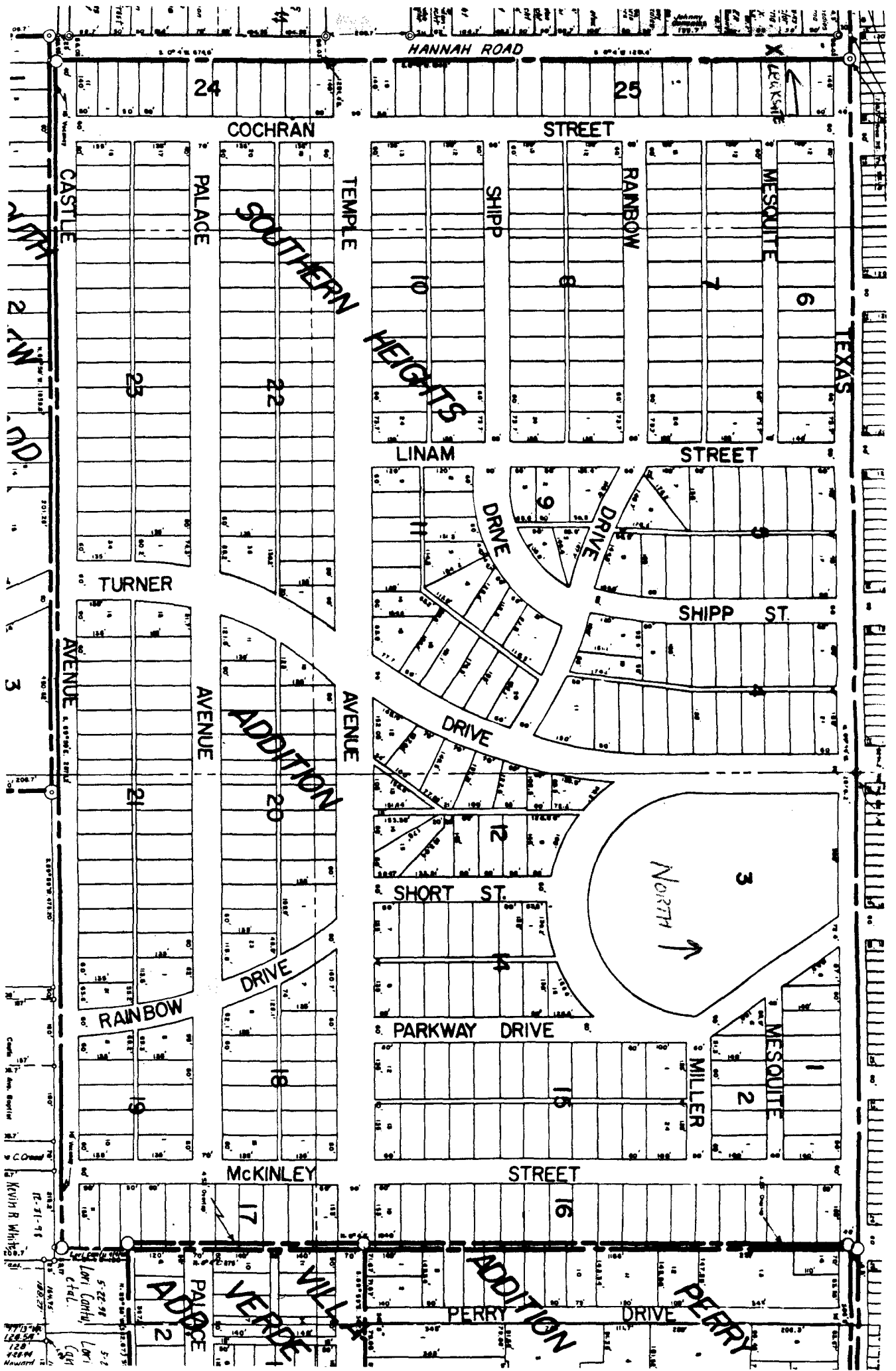
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger 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 Technician	Approval Date: 5.22.07	Expiration Date: 7.22.07
E-mail Address: Steven_Bishop@oxy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 05/14/2007 Phone: (505) 397-8251	SUBMITTER OF FINAL C-141	

* Attach Additional Sheets If Necessary

Incident - nPAC0714240186
Application - nPAC0714240324

RP#1348



MITCHELL ANALYTICAL LABORATORY

2638 Faudree
XOdessa, Texas 79765-8538
561-5579

Company: **Nalco Energy Services**

Well Number: SHU Water Station H-Pump
Lease: OXY
Location:
Date Run: 3/30/2007
Lab Ref #: 07-mar-n34022

Sample Temp: 70
Date Sampled: 3/23/2007
Sampled by: Kevin Chiles
Employee #:
Analyzed by: DOM

Dissolved Gases

		Mg/L	Eq. Wt.	MEq/L
Hydrogen Sulfide (H ₂ S)		257.00	16.00	16.06
Carbon Dioxide (CO ₂)	NOT ANALYZED			
Dissolved Oxygen (O ₂)	NOT ANALYZED			

Cations

Calcium (Ca ⁺⁺)		450.24	20.10	22.40
Magnesium (Mg ⁺⁺)		156.16	12.20	12.80
Sodium (Na ⁺)		2,611.43	23.00	113.54
Barium (Ba ⁺⁺)	NOT ANALYZED			
Manganese (Mn ⁺)		.01	27.50	.00

Anions

Hydroxyl (OH ⁻)		.00	17.00	.00
Carbonate (CO ₃ ⁼)		.00	30.00	.00
BiCarbonate (HCO ₃ ⁻)		1,515.28	61.10	24.80
Sulfate (SO ₄ ⁼)		500.00	48.80	10.25
Chloride (Cl ⁻)		4,036.44	35.50	113.70
Total Iron (Fe)		0.14	18.60	.01
Total Dissolved Solids		9,526.70		
Total Hardness as CaCO ₃		1,765.86		
Conductivity MICROMHOS/CM		14,460		

pH 7.120 Specific Gravity 60/60 F. 1.007

CaSO₄ Solubility @ 80 F. 14.84 MEq/L, CaSO₄ scale is unlikely

CaCO₃ Scale Index

70.0	.777	100.0	1.127	130.0	1.637
80.0	.907	110.0	1.367	140.0	1.637
90.0	1.127	120.0	1.367	150.0	1.867

Nalco Energy Services