OXY USA, Inc. West Dollarhide Devonian Unit #101 Delineation Report and Work Plan

Section 33, T24S, R38E Lea County, New Mexico

September 24, 2014



Prepared for:

OXY USA, Inc. 1017 W Stanolind Road Hobbs, New Mexico 88240

By:

Safety & Environmental Solutions, Inc. 703 East Clinton Street Hobbs, New Mexico 88240 (575) 397-0510

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I. Company Contacts

Representative	Company	Telephone	E-mail
Austin Tramell	OXY USA, INC.	575-499-4919	Austin Tramell@oxy.com
Bob Allen	SESI	575-397-0510	ballen@sesi-nm.com

II. Background

Safety and Environmental Solutions, Inc. (SESI) was engaged by OXY USA, INC to perform site assessment of and cleanup a release area at the West Dollarhide Devonian Unit #101 located in Section 33 of Township 24 South, Range 38 East, Lea County, New Mexico.

According to the C-141 dated January 9, 2014 the cause of release was a tank spilling over. The release was approximately 5 bbls of crude oil and 5 bbls of produced water. Approximately 3 bbls of crude oil and 3bbls of produced water were recovered.

III. Surface and Ground Water

The nearest groundwater of record is approximately 8.0 miles Northwest of the site. The New Mexico Office of State Engineer record is in Section 20 Range 38 East and Township 25 South. The reported depth was 75 feet below ground surface (BGS).

IV. Characterization

The target cleanup levels are determined using the *Guidelines for Remediation of Leaks, Spills and Releases* published by the NMOCD (August 13, 1993). Based on the ranking criteria presented below, the applicable Recommended Remediation Action Levels (RRAL) are 10 parts per million (ppm) Benzene, 50 ppm combined benzene, toluene, ethylbenzene, and total xylenes (BTEX), and 1000 ppm Total Petroleum Hydrocarbons (TPH).

Depth to Ground Water:			
(Vertical distance from contaminants to	Less than 50 feet	20 points	
seasonal high water elevation of	50 feet to 99 feet	10 points	X
groundwater)	>100 feet	0 points	
Wellhead Protection Area:			
(Less than 200 feet from a private domestic	Yes	20 points	
water source; or less than 1000 feet from all	No	0 points	X
other water sources)			
Distance to Surface Water:			
(Horizontal distance to perennial lakes,	Less than 200 feet	20 points	
ponds, rivers, streams, creeks, irrigation	200 feet to 1000 feet	10 points	
canals and ditches)	>1000 feet	0 points	X
RANKING SCORE (TOTAL POINTS)			10

V. Work Performed

BBC International Inc. was onsite to determine vertical extent of contamination. Samples were taken at site SP1 at the surface and at a depth of 1', 2', 3', 4' 6', 8', 10' and 12'. Samples were taken at site SP2 were taken at 1', 2', 4', 6', 8', 10' and 12'. All samples were properly packaged, preserved and transported to the Laboratory, Hobbs New Mexico and analyzed for Benzene, Toluene, Ethylbenzene, Xylenes, Total BTEX and

Chloride (Cl⁻) (Method SM4500Cl-B). The results of the analysis are presented in the table below:

Laboratory Analytical Results Summary West Dollarhide Devonian Unit 101

		Sample	SP1@ SURFACE	SP1 @ 1'	SP1 @ 2'	SP1 @ 3'	SP1 @ 4'	SP1 @ 6'	SP1 @ 8'	SP1 @ 10'	SP1 @ 12'
Analyte	Method	Date	12/12/13	12/12/13	12/12/13	12/12/13	1/22/14	1/22/14	1/22/14	1/22/14	1/22/14
			mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg
Benzene	BTEX 8021B		< 0.050	< 0.050	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Toluene	BTEX 8021B		<0.050	< 0.050	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ethylbenzene	BTEX 8021B		< 0.050	< 0.050	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total Xylenes	BTEX 8021B		<0.150	< 0.150	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total BTEX	BTEX 8021B		< 0.300	< 0.300	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Chloride	SM4500CI-B		1010	496	1840	1800	3560	4800	4720	6480	2200
GRO	TPH 8015M		<10.0	<10.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
DRO	TPH 8015M		288	<10.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a

		Sample	SP2@ SURFACE	SP2 @ 1'	SP2 @ 2'	SP2 @ 4'	SP2 @ 6'	SP2 @ 8'	SP2 @ 10'	SP2 @ 12'
Analyte	Method	Date	12/12/13	12/12/13	12/12/13	1/22/14	1/22/14	1/22/14	1/22/14	1/22/14
			mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg
Benzene	BTEX 8021B		< 0.050	< 0.050	n/a	n/a	n/a	n/a	n/a	n/a
Toluene	BTEX 8021B		<0.050	< 0.050	n/a	n/a	n/a	n/a	n/a	n/a
Ethylbenzene	BTEX 8021B		<0.050	< 0.050	n/a	n/a	n/a	n/a	n/a	n/a
Total Xylenes	BTEX 8021B		<0.150	< 0.150	n/a	n/a	n/a	n/a	n/a	n/a
Total BTEX	BTEX 8021B		< 0.300	< 0.300	n/a	n/a	n/a	n/a	n/a	n/a
Chloride	SM4500CI-B		1120	1150	1840	4080	4640	3920	5600	2600
GRO	TPH 8015M		<50.0	<50.0	n/a	n/a	n/a	n/a	n/a	n/a
DRO	TPH 8015M		613	551	n/a	n/a	n/a	n/a	n/a	n/a

The sample results indicate that the chloride concentration at 12' BGS is still between 2200ppm and 2600 ppm.

On March 20, 2014, BBC International Inc. was onsite to determine vertical extent of contamination using a coring rig. A bore hole was advanced to a depth of 55' BGS with samples taken a 15', 25', 25', 45' and 55'. All samples were properly packaged, preserved and transported to the Laboratory, Hobbs New Mexico and analyzed for Chloride (Cl⁻) (Method SM4500Cl-B). The results of the analysis are presented in the table below:

Laboratory Analytical Results Summary West Dollarhide Devonian Unit #101

		Sample	SB1 @ 15'	SB1 @ 25'	SB1 @ 35'	SB1 @ 45'	SB1 @ 55'
Analyte	Method	Date	3/20/14	3/20/14	3/20/14	3/20/14	3/20/14
			mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg
Chloride	SM4500CI-B		3280	704	816	464	128

The sample results indicate that the vertical extent of contamination was determined to be between 45' & 55'.

VI. Action Plan

Due to the results listed above and the fact that this is an active location, the following

action plan is proposed:

- 1. Excavate 18"-2' remove all contaminated soil transport to an approved NMOCD facility for disposal.
- 2. Install Liner
- 3. The excavated area will be backfilled with caliche and returned to grade.
- 4. A closure report and a final C-141 will be filed upon completion of the above work.

VII. Figures & Appendices

Figure 1 – Vicinity Map

Figure 2 – Site Plan

Figure 3 – NMOCD Trend Map

Appendix A – Analytical Results

Appendix B – C-141

Figure 1 Vicinity Map

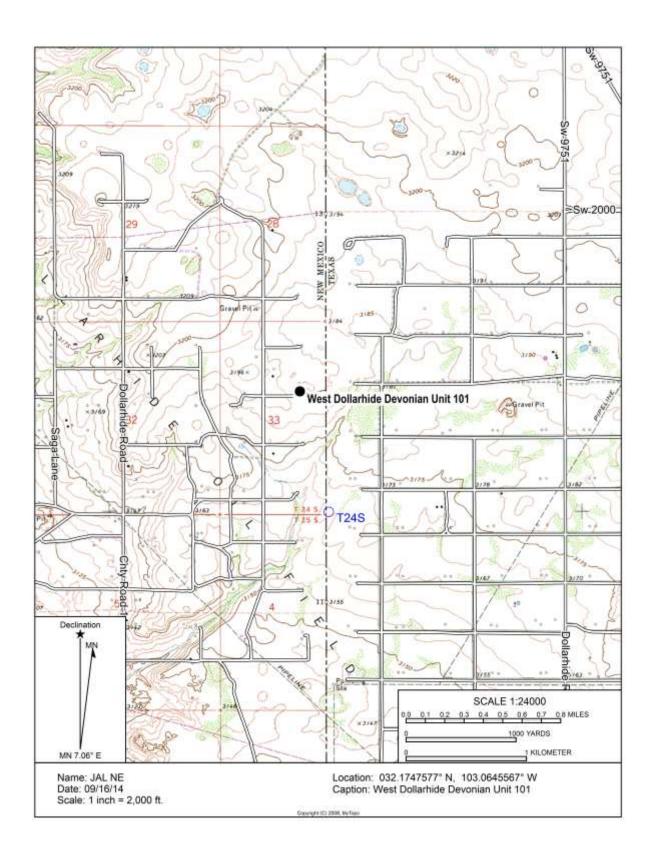


Figure 2 Site Plan



Appendix A Analytical Results

Laboratory Analytical Results Summary West Dollarhide Devonian Unit 101

		Sample	SP1@ SURFACE	SP1 @ 1'	SP1 @ 2'	SP1 @ 3'	SP1 @ 4'	SP1 @ 6'	SP1 @ 8'	SP1 @ 10'	SP1 @ 12'
Analyte	Method	Date	12/12/13	12/12/13	12/12/13	12/12/13	1/22/14	1/22/14	1/22/14	1/22/14	1/22/14
			mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg
Benzene	BTEX 8021B		<0.050	< 0.050	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Toluene	BTEX 8021B		< 0.050	< 0.050	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ethylbenzene	BTEX 8021B		<0.050	< 0.050	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total Xylenes	BTEX 8021B		<0.150	< 0.150	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total BTEX	BTEX 8021B		< 0.300	< 0.300	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Chloride	SM4500CI-B		1010	496	1840	1800	3560	4800	4720	6480	2200
GRO	TPH 8015M		<10.0	<10.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
DRO	TPH 8015M		288	<10.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a

		Sample	SP2@ SURFACE	SP2 @ 1'	SP2 @ 2'	SP2 @ 4'	SP2 @ 6'	SP2 @ 8'	SP2 @ 10'	SP2 @ 12'
Analyte	Method	Date	12/12/13	12/12/13	12/12/13	1/22/14	1/22/14	1/22/14	1/22/14	1/22/14
			mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg
Benzene	BTEX 8021B		< 0.050	< 0.050	n/a	n/a	n/a	n/a	n/a	n/a
Toluene	BTEX 8021B		< 0.050	< 0.050	n/a	n/a	n/a	n/a	n/a	n/a
Ethylbenzene	BTEX 8021B		< 0.050	< 0.050	n/a	n/a	n/a	n/a	n/a	n/a
Total Xylenes	BTEX 8021B		<0.150	< 0.150	n/a	n/a	n/a	n/a	n/a	n/a
Total BTEX	BTEX 8021B		< 0.300	< 0.300	n/a	n/a	n/a	n/a	n/a	n/a
Chloride	SM4500CI-B		1120	1150	1840	4080	4640	3920	5600	2600
GRO	TPH 8015M		<50.0	<50.0	n/a	n/a	n/a	n/a	n/a	n/a
DRO	TPH 8015M		613	551	n/a	n/a	n/a	n/a	n/a	n/a

Laboratory Analytical Results Summary West Dollarhide Devonian Unit #101

		Sample	SB1 @ 15'	SB1 @ 25'	SB1 @ 35'	SB1 @ 45'	SB1 @ 55'
Analyte	Method	Date	3/20/14	3/20/14	3/20/14	3/20/14	3/20/14
			mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg
Chloride	SM4500CI-B		3280	704	816	464	128

Appendix B C-141

District 1
1625 N. French Dr., Hobbs, NM 88240
District III
831 S. First St., Artesia, NM 88210
District III
1000 Hio Brazon Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Submit 1 Copy to appropriate District Office in accordance with 19.15,29 NMAC.

						OPERA'	FOR		⊠ Initi	al Report	П	Final Rep
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urface Ov	rner			Mineral O	wner				API No	0. 30-025-2	28771	
				LOCA	TION	OF REI	LEASE					
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	33	243							West	Lea		
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Appendix C Site Photographs



West of wellhead looking Northeast (Photo # 1)



West of wellhead looking Northeast (Photo # 2)



West of wellhead looking Northeast (Photo # 3)



Wellhead facing Northeast (Photo # 4)



From wellhead looking Northwest (Photo # 5)



From wellhead looking Northwest (Photo # 6)



From North of wellhead looking West (Photo #7)



From North of wellhead looking South (Photo #8)



From North of wellhead looking Southwest (Photo #9)