



Occidental Permian Limited Partnership

June 7, 2006

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



Attn: Environmental Engineering

RE: Final Drilling Pit Closure
North Hobbs Unit 25-741 Drilling Pit
UL 'A', Sec. 25, T-18-S, R-37-E

This letter is being sent as final closure for the drilling pit at the above mentioned location. This pit was closed as follows:

1. All drill cuttings and liner were removed from pit area.
2. All cuttings were disposed of at Sundance Services, Parabo Facility near Eunice, New Mexico.
3. Native soils, stored on site, were used for backfill of the area.
4. NMOCD Pit and Below-Grade Tank Guidelines, dated 11-01-2004, were used for pit closure compliance.
5. Work was completed on May 25, 2006.
6. A final form C-144 is attached.

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

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

Attachments: Form C-144
Diagram of pit and well location

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

Form C-144
March 12, 2004

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

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: Occidental Permian, LTD Telephone: 505.397.8251 e-mail address: Steven_Bishop@oxy.com

Address: 1017 W. Stanolind Road, Hobbs, New Mexico 88240

Facility or well name: NHU 25-741 API #: 30-025-37480 U/L A Sec 25 T 18-S R 37-E

County: Lea Latitude 32°43'28.52"N Longitude 103°11'59.81"W NAD: 1927 ☒ 1983 ☐ Surface Owner Federal ☐ State ☒ Private ☒ Indian ☐

Title

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Inner type: Synthetic ☒ Thickness 12 mil Clay ☐ Volume

5,000 bbl

Below-grade tank

Volume: bbl Type of fluid:

Construction material:

Double-walled, with leak detection? Yes ☐ If not, explain why not.

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet	(20 points)
50 feet or more, but less than 100 feet	(10 points) 10
100 feet or more	(0 points)

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes	(20 points)
No	(0 points) 0

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet	(20 points)
200 feet or more, but less than 1000 feet	(10 points)
1000 feet or more	(0 points) 0

Ranking Score (Total Points)	10
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If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☒ If offsite, name of facility Sundance Services, Parabo Facility. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☒ Yes ☐ If yes, show depth below ground surface ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 05/25/2006

Printed Name/Title Steven M. Bishop / HES Specialist

Signature

Our certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations

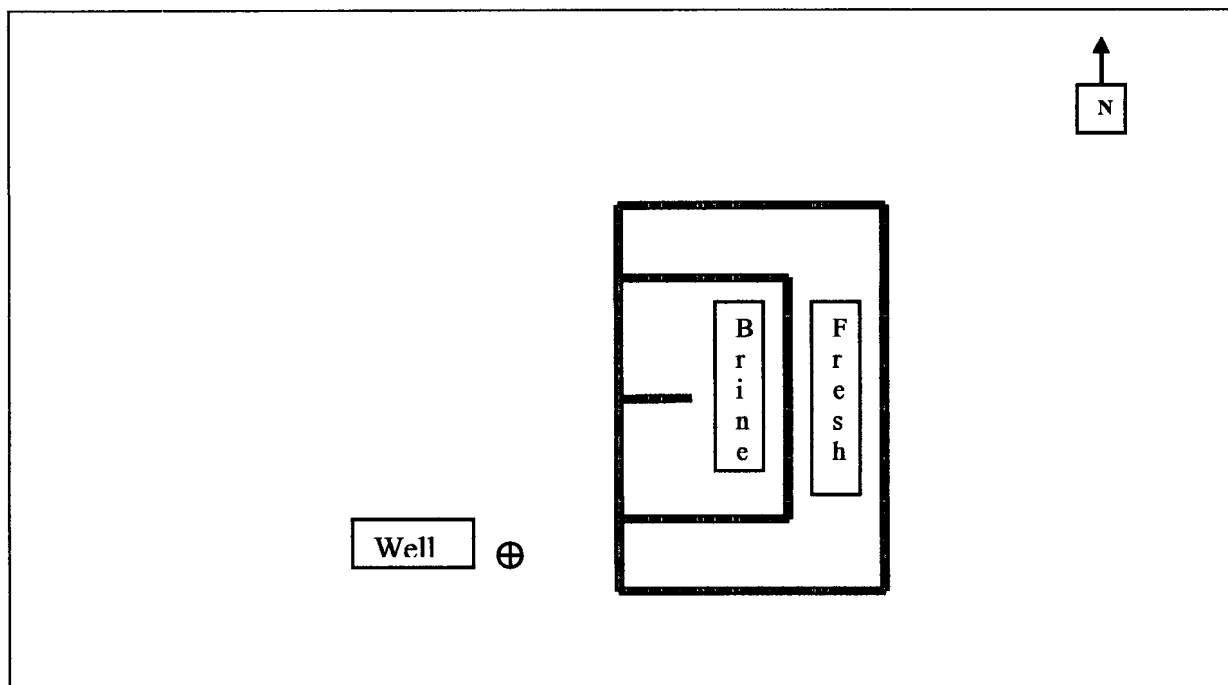
Approval:

Date: 6/2/06

Printed Name/Title CHRIS WILLIAMS / DIST. SUPERV.

Signature

North Hobbs Unit 25-741



Occidental Permian Ltd.

North Hobbs Unit 25-741

API # 30-025-37480

Unit Letter 'A', Section 25, T-18-S, R-37-E

N 32°43'28.52", W103°11'59.81"

100' X 100' Pit 50' East of Wellhead