



Occidental Permian Limited Partnership

March 20, 2007

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

Attn: Environmental Engineering

RE: Drilling Pit Closure Plan
North Hobbs Unit 19-638 Drilling Pit
API#30-025-38125
UL 'B', Sec. 19, T-18-S, R-38-E

This letter is being sent as a notification of pit closure for the drilling pit at the above mentioned location. This pit will be closed as follows:

1. All drill cuttings and liner will be removed from pit area.
2. All cuttings will be disposed of at Sundance Services, Parabo Facility near Eunice, New Mexico.
3. A five spot composite sample will be taken in the area below the pit liner.
4. Native soils, stored on site, will be used for backfill of the area.
5. NMOCD Pit and Below-Grade Tank Guidelines, dated 11-01-2004, will be used for pit closure compliance.
6. Start date on drill cutting removal April 2007.
7. Work should be completed by the end of June 2007.

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

A handwritten signature in cursive script that reads "Steven M. Bishop".

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

Attachments: Initial 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

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

Form C-144
March 12, 2004

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, NM 88240

Facility or well name: NHU 19-638 API #: 30-025-38125 U/L or Qtr/Qtr B NW-NE Sec 19 T 18 S R 38 E

County: Lea Latitude 32°44'20.40" N Longitude 103°11'05.67" W NAD: 1927 ☒ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☒ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☐ Unlined ☐

Liner type: Synthetic ☐ Thickness ___ mil Clay ☐

Closed loop system will be used.

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) 20

50 feet or more, but less than 100 feet

(10 points)

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)

20

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: March 20, 2007

Printed Name/Title Steven M. Bishop / HES Tech

Signature

Steven M. Bishop

Your 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:

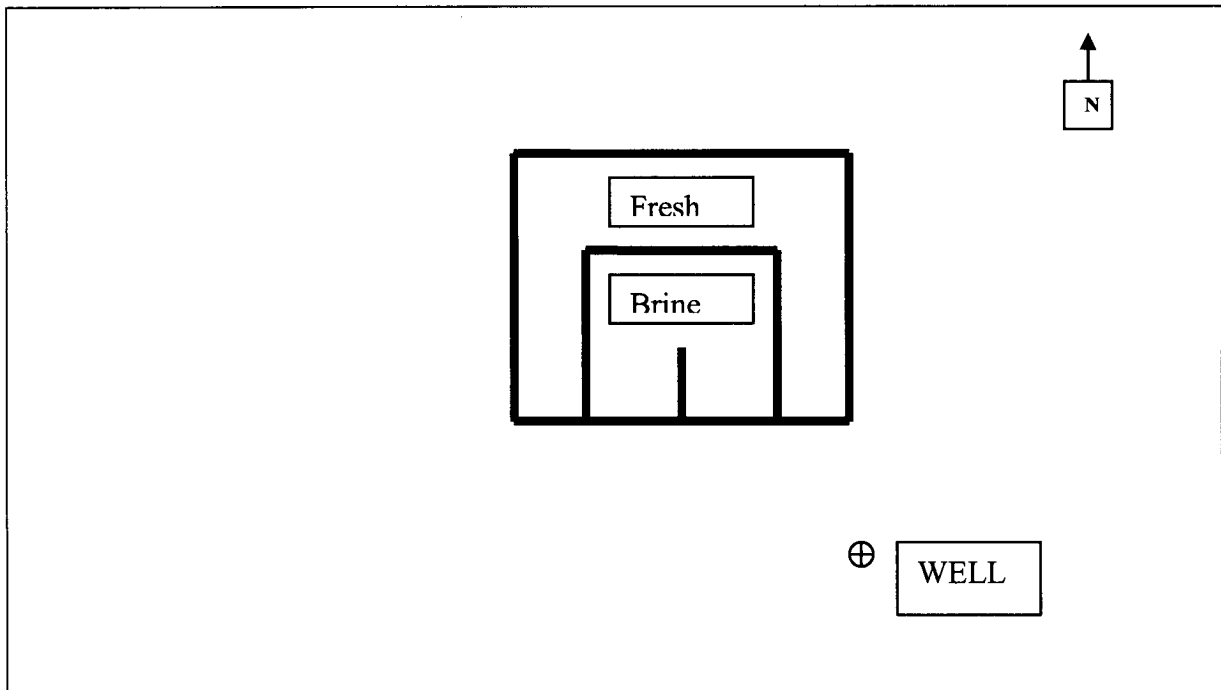
Date: 3/21/07

Printed Name/Title CHAIRS WILLIAMS / DIST. SARD.

Signature

Chairs Williams

North Hobbs Unit #19-638



Occidental Permian Ltd.

North Hobbs Unit #19-638

API # 30-025-38125

Unit Letter B, Section 19, T-18-S, R-38-E

N 32°44'20.40", W103°11'05.67"

100' X 100' Pit approximately 50' north of wellhead