OXY USA, Inc. Conoco State 10 A1 Y Closure Report

Section 10, T19S, R29E Eddy County, New Mexico

March 18, 2015



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

TABLE OF CONTENTS

I.	COMPANY CONTACTS	7
II.	BACKGROUND	7
III.	SURFACE AND GROUND WATER	7
IV.	CHARACTERIZATION	7
		_
V.	WORK PERFORMED	7
١/١	ACTION PLAN	•
VI.	ACTION PLAN	ð
VII	FIGURES & APPENDICES	S
F	FIGURES & APPENDICESigure 1 – Vicinity Map	9
F	igure 2 – Site Planppendix A – Analytical Resultsppendix B – C-141	.11
A	ppendix A – Analytical Results	9
Α	ppendix B – C-141	.17

I. Company Contacts

Representative	Company	Telephone	E-mail
Christopher Jones	OXY USA, INC.	575-499-3337	Christopher_Jones@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 a release area at the Conoco State 10 A 1Y Battery located in Section 10 of Township 19 South, Range 29 East, Eddy County, New Mexico.

According to the C-141 the cause of release was 3in steel high pressure vent line – high gas line pressure.

III. Surface and Ground Water

The nearest groundwater of record is approximately 3.0 miles West of the site. The New Mexico Office of State Engineer record is in Section 7 Range 29 East and Township 19 South. The reported depth was 150 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 5,000 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	
groundwater)	>100 feet	0 points	X
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)			0

V. Work Performed

On February 5, 2015, SESI was onsite to determine vertical extent of contamination. Samples BH-1 was taken at a depth of 8' ft., 9' ft. and 10' ft. Sample BH-2 was taken at 4' ft. 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:

Sample Date 2/13/2014	Sample ID	Benzene (mg/kg)	Toluene (mg/kg)	Ethylbenzene (mg/kg)	Xylenes (mg/kg)	Total BTEX
Depth	Method					
BH-1 at 8'	BTEX 8021B	< 0.050	< 0.050	< 0.056	<0.150	< 0.300
BH-1 at 9'	BTEX 8021B	< 0.050	< 0.050	< 0.050	<0.150	< 0.300
BH-1 at 10'	BTEX 8021B	<0.050	< 0.050	< 0.050	<0.150	< 0.300
BH-2 at 4'	BTEX 8021B	< 0.050	< 0.050	< 0.050	<0.150	< 0.300

Sample Date 05/03/2014	Sample ID	Chloride (CI)	Sample ID	GRO (C ₆ -C ₁₀) (mg/kg)	DRO (>C ₁₀ -C ₂₈) (mg/kg)
Depth	Method		Method		
BH-1 at 8'	SM4500CI-B	528	TPH 8015M	<10.0	<10.0
BH-1 at 9'	SM4500CI-B	288	TPH 8015M	<10.0	<10.0
BH-1 at 10'	SM4500CI-B	256	TPH 8015M	<10.0	<10.0
BH-2 at 4'	SM4500CI-B	80	TPH 8015M	<10.0	<10.0

Sample Date 03/11/2015	Total BTEX	Sample ID	Chloride (Cl)	Sample ID	GRO (C ₆ -C ₁₀) (mg/kg)	DRO (>C ₁₀ -C ₂₈) (mg/kg)
Depth		Method		Method		
SP-1 Bottom	< 0.300	SM4500CI-B	48	TPH 8015M	11.7	266
SP-2 Bottom	< 0.300	SM4500CI-B	64	TPH 8015M	<10.0	38.3
SP-3 Bottom	< 0.300	SM4500CI-B	48	TPH 8015M	13.8	310
SP-4 Bottom	< 0.300	SM4500CI-B	<16.0	TPH 8015M	<10.0	<10.0
SP-5 Bottom	< 0.300	SM4500CI-B	<16.0	TPH 8015M	<10.0	<10.0
SP-6 Bottom	< 0.300	SM4500CI-B	96.0	TPH 8015M	<10.0	110
SP-7 Bottom	< 0.300	SM4500CI-B	<16.0	TPH 8015M	<10.0	<10.0

Per the request of the NMOCD the above representative soil samples were collect at the floor level of the excavation and sent to a commercial laboratory for analyses. The returned results confirmed acceptable BTEX, and Chloride levels. However, GRO levels at all sample points were <13.8, while DRO returned results of <310 Mg/Kg.

VI. Closure

The release area was excavated, we have removed Chloride and TPH contaminated soil over 1000 ppm and 5,000 ppm respectively. All contaminated soils were removed to the NMOCD approved, Sundance facility for disposal. The excavated area has been backfilled with native soil and returned to natural grade. Therefore, Safety & Environmental Solutions, Inc. respectfully requests regulatory closure for this site.

VII. Figures & Appendices

Figure 1 – Vicinity Map

Figure 2 – Site Plan

Appendix A – Analytical Results

Appendix B – C-141

Figure 1 Vicinity Map

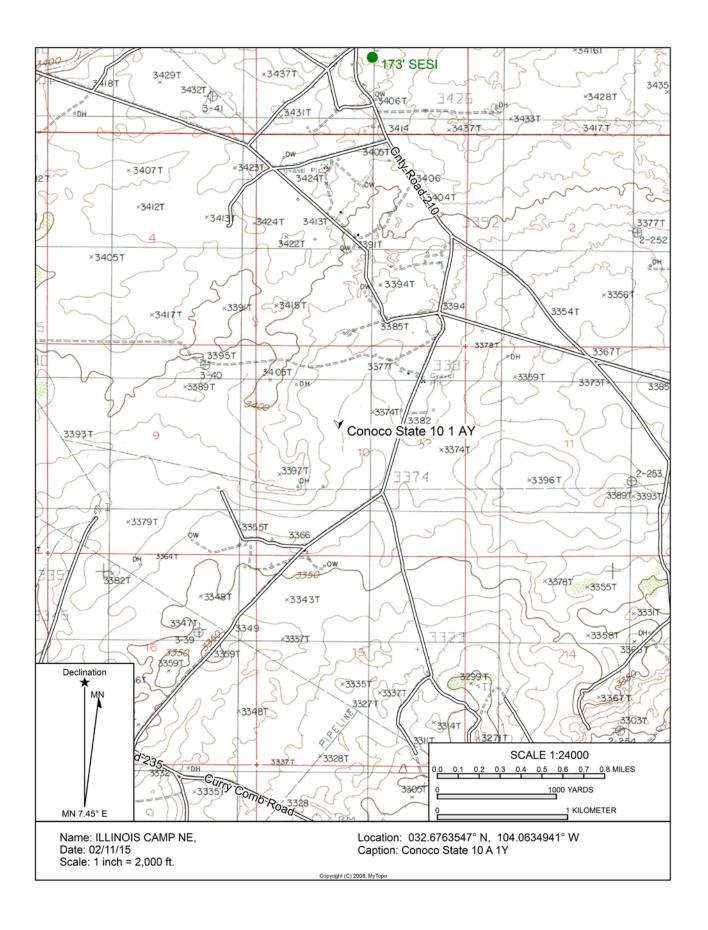


Figure 2 Site Plan



Conoco State 10 1 AY

Appendix A Analytical Results



February 10, 2015

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: CONOCO STATE AIY

Enclosed are the results of analyses for samples received by the laboratory on 02/06/15 8:00.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at <a href="https://www.tceq.texas.gov/field/ga/lab.accredited-accredi

Cardinal Laboratories is accreditated through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2 Haloacetic Acids (HAA-5)
Method EPA 524.2 Total Trihalomethanes (TTHM)
Method EPA 524.4 Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

Celeg D. Keine

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions Bob Állen 703 East Clinton Hobbs NM, 88240 Fax To: (575) 393-4388

Received: 02/06/2015 Reported: 02/10/2015 CONOCO STATE AIY OXY-15-004 Project Name:

Project Number: Project Location: EDDY Sampling Date: 02/05/2015 Sampling Type: Sampling Condition: Soil

Cool & Intact Sample Received By: Jodi Henson

BTEX 8021B	mg/kg		Analyzed By: ms						
	-		,						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	02/09/2015	ND	1.72	85.8	2.00	7.05	
Toluene*	<0.050	0.050	02/09/2015	ND	1.67	83.4	2.00	7.12	
Ethylbenzene*	< 0.050	0.050	02/09/2015	ND	1.58	79.2	2.00	8.12	
Total Xylenes*	< 0.150	0.150	02/09/2015	ND	4.70	78.3	6.00	9.45	
Total BTEX	<0.300	0.300	02/09/2015	ND					
Surrogate: 4-Bromofluorobenzene (PID	104 %	6 61-154	1						
Chloride, SM4500CI-B	mg/l	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	528	16.0	02/06/2015	ND	416	104	400	0.00	
TPH 8015M	mg/l	kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	02/09/2015	ND	191	95.7	200	1.47	
DRO >C10-C28	<10.0	10.0	02/09/2015	ND	188	94.1	200	1.69	
Surrogate: 1-Chlorooctane	99.1 9	6 47.2-15	7						

Cardinal Laboratories *=Accredited Analyte

Colory D. Keene Celey D. Keene, Lab Director/Quality Manager

Page 2 of 7

02/05/2015

Jodi Henson

Soil Cool & Intact



Analytical Results For:

Safety & Environmental Solutions Bob Allen 703 East Clinton Hobbs NM, 88240 Fax To: (575) 393-4388

 Received:
 02/06/2015
 Sampling Date:

 Reported:
 02/10/2015
 Sampling Type:

 Project Name:
 CONOCO STATE AIY
 Sampling Condition:

 Project Number:
 OXY-15-004
 Sample Received By:

 Project Location:
 EDDY

Sample ID: BH-1 9' BGS (H500345-02)

Sample ID: BH-1 9' BGS (H500									
BTEX 8021B	mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifie
Benzene*	<0.050	0.050	02/09/2015	ND	1.72	85.8	2.00	7.05	
Toluene*	<0.050	0.050	02/09/2015	ND	1.67	83.4	2.00	7.12	
Ethylbenzene*	< 0.050	0.050	02/09/2015	ND	1.58	79.2	2.00	8.12	
Total Xylenes*	< 0.150	0.150	02/09/2015	ND	4.70	78.3	6.00	9.45	
Total BTEX	<0.300	0.300	02/09/2015	ND					
Surrogate: 4-Bromofluorobenzene (PID)	102 9	61-154							
Chloride, SM4500CI-B	mg/	kg	Analyzo	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	288	16.0	02/06/2015	ND	416	104	400	0.00	
TPH 8015M	mg/	kg	Analyzo	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	02/09/2015	ND	191	95.7	200	1.47	
DRO >C10-C28	<10.0	10.0	02/09/2015	ND	188	94.1	200	1.69	
Surrogate: 1-Chlorooctane	96.3	6 47.2-15	7						
Surrogate: 1-Chlorooctadecane	86.6	6 52.1-170	6						

Cardinal Laboratories *=Accredited Analyte

PERSE NOTE: Likelity and Consuper. Cardina's biolity and clerk's exclusive receipt for any clein arising, whether based to contact or tort, shall be listed to the annual past by cleen for analyses. All cleins, televing those for neighbors and any other cause whatevers shall be deemed received and be deemed received in writing and received by Cardinal with takey (II) days after completed or for applicable service. In no west dard Cardinal be little for incidental or consequented descapes, including, without finithatin, loodness interruption, loss of one, or loss of purits incomed by cleent, as substitutes and contact an accurate and the performance of the services between the contact and purity contact and purity contact and the performance of the services between the contact and purity contact and the performance of the services between the contact and the performance of the services between the contact and the performance of the services between the contact and the performance of the services between the contact and the performance of the services between the contact and the performance of the services between the contact and the performance of the services between the contact and the performance of the services between the contact and the performance of the services between the contact and the performance of the services between the contact and the performance of the services and the services and the performance of th

Celey D. Keene, Lab Director/Quality Manager

Page 3 of 7

Sampling Date:

02/05/2015



Analytical Results For:

Safety & Environmental Solutions Bob Allen 703 East Clinton Hobbs NM, 88240 Fax To: (575) 393-4388

Received: 02/06/2015

Reported: 02/10/2015 Sampling Type: Soil
Project Name: CONOCO STATE AIY Sampling Condition: Cool & Intact
Project Number: OXY-15-004 Sample Received By: Jodi Henson
Project Location: EDDY

Sample ID: BH-1 10' BGS (H500345-03)

BTEX 8021B	mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifie
Benzene*	<0.050	0.050	02/09/2015	ND	1.72	85.8	2.00	7.05	
Toluene*	<0.050	0.050	02/09/2015	ND	1.67	83.4	2.00	7.12	
Ethylbenzene*	< 0.050	0.050	02/09/2015	ND	1.58	79.2	2.00	8.12	
Total Xylenes*	< 0.150	0.150	02/09/2015	ND	4.70	78.3	6.00	9.45	
Total BTEX	<0.300	0.300	02/09/2015	ND					
Surrogate: 4-Bromoftuorobenzene (PID	104 9	61-154							
Chloride, SM4500CI-B	mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifie
Chloride	256	16.0	02/06/2015	ND	416	104	400	0.00	
TPH 8015M	mg/	kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifie
GRO C6-C10	<10.0	10.0	02/09/2015	ND	191	95.7	200	1.47	
DRO >C10-C28	<10.0	10.0	02/09/2015	ND	188	94.1	200	1.69	

Cardinal Laboratories *=Accredited Analyte

PERSE NOTE: Unlitty and Danages. Cardina's biolity and clerc's exclusive received to any clein mixing, whether based in contact or tort, shall be britted to the amount paid by clerc for analyses. All cleins, including these for completene and any after clear and any after any after a supplemental demands. In the supplemental demands are completened and any after any after any after any after all completeness and claim is bound upon any of the allows dated measure or otherwise. Exemble values are completed and not be represented any any of the allows dated measure or otherwise. Exemble values are completed and not be represented any proof of Cardinal Indicatories.

Colory D. Kreene

Surrogate: 1-Chlorooctadecane 83.3 % 52.1-176

Celey D. Keene, Lab Director/Quality Manager

Page 4 of 7



PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

Analytical Results For:

Safety & Environmental Solutions Bob Allen 703 East Clinton Hobbs NM, 88240 Fax To: (575) 393-4388

02/06/2015 Received: 02/10/2015 CONOCO STATE AIY OXY-15-004 Reported: Project Name: Project Number: Project Location:

Sampling Date: Sampling Type: Sampling Condition: Sample Received By: 02/05/2015 Soil Cool & Intact Jodi Henson

EDDY

Sample ID: BH-2 4' BGS (H500	345-04)								
BTEX 8021B	mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifie
Benzene*	<0.050	0.050	02/09/2015	ND	1.72	85.8	2.00	7.05	
Toluene*	<0.050	0.050	02/09/2015	ND	1.67	83.4	2.00	7.12	
Ethylbenzene*	<0.050	0.050	02/09/2015	ND	1.58	79.2	2.00	8.12	
Total Xylenes*	<0.150	0.150	02/09/2015	ND	4.70	78.3	6.00	9.45	
Total BTEX	<0.300	0.300	02/09/2015	ND					
Surrogate: 4-Bromofluorobenzene (PID	102 5	61-154							
Chloride, SM4500CI-B	mg/	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifie
Chloride	80.0	16.0	02/06/2015	ND	416	104	400	0.00	
TPH 8015M	mg/	kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualific
GRO C6-C10	<10.0	10.0	02/09/2015	ND	191	95.7	200	1.47	
DRO >C10-C28	<10.0	10.0	02/09/2015	ND	188	94.1	200	1.69	
Surrogate: 1-Chlorooctane	96.8	% 47.2-15	7						
Surrogate: 1-Chlorooctadecane	84.5	% 52.1-170							

Cardinal Laboratories *=Accredited Analyte

PLEASE NOTE: Calciffy and Desirages. Carcitat's biolity and clear's exclusive receive for any clean arising, whether based in contact or tort, shall be briefed to the associated part of the cleaner state of the applicable service. In on event shall Carcitant the for incidental or consequential desirages, todaing, which before the publication produces the complete or or bear of profits incomed by Carlinal within thiny (II) days after completes of the applicable service. In on event shall Carcitant be being the basis for incidental or consequential desirages, todaing, including, includes information or or bear of profits incomed by clear, it is substitute, and include any content of or related to the performance of the services between between the content of profits incomed by Carlinal, inspiration and only in profits the content of the services and content of content of the services between the services between the content of the services between the co

Colory D. Keene

Celey D. Keene, Lab Director/Quality Manager

Page 5 of 7



Notes and Definitions

QM-4X The spike recovery was outside of QC acceptance limits for the MS and/or MSD due to analyte concentration at 4 times or greater the spike concentration. The QC batch was accepted based on LCS and/or LCSD recoveries within the acceptance limits.

ND

Analyte NOT DETECTED at or above the reporting limit

RPD Relative Percent Difference

Samples not received at proper temperature of 6°C or below.

Insufficient time to reach temperature.

Chloride by SM4500CI-B does not require samples be received at or below 6°C

Samples reported on an as received basis (wet) unless otherwise noted on report

*=Accredited Analyte Cardinal Laboratories

PLEASE MOTTS: Liability and Descapes. Cardita's biolity and clear's exclusive receive for any clean arising, whether based to contact or tort, shall be liabed to the associate paid by clear for analyses. All cleans, including those for consequently cleans cause in the cases whatever shall be descent related to the same cases. In no event shall Cardinal be liable for localized and company, including, without liabilities, for localized interesting contact cont

Colony D. France

Celey D. Keene, Lab Director/Quality Manager

Page 6 of 7

ARDINAL LABORATORIES 101 East Marland, Hobbs, NM 88240 (505) 393-2328 Fax (505) 393-2478

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Sampler - UPS - Bus - Other: Delivered By: (Circle One) ron Lieuw only Project #: C † Cardinal cannot accept verbal changes. Please fax written changes to 575-393 G/rs. Lab I.D. roject Location roject Name: olect Menager: Boh Allen mpany Name: Safety & Environmental Solutions, Inc. -15-00 Project Owner. Chor Courty 575-397-0510 Fax#: 575-393-4388 Hobbs 703 East Clinton Sample I.D. SARTE BIY Office of the of State; NM Zip: 88240 Received By: (G)RAB OR (C)OMP Sample Condition Cool Intact Dres Dres Menson SLUDGE OTHER: City: UNIDLAND State: TX Zip: Attr: Pata Same OXV Address: 6 Despr DR 9: Thorse #: 432-689-9912 ACID/BASE PRESERV SAMPLING BILL TO 1146 XXXX BTEX D Yes D No Add Phone #: (8015 CHLORIDES ANALYSIS REQUEST

Page 7 of 7

Appendix B Final C-141

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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 Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Form C-141

Revised August 8, 2011

Release Notification and Corrective Action OPERATOR Name of Company: OXY Permian Contact: Christopher Jones Telephone No. 575-499-3337 Address: 1502 W Commerce Dr. Facility Name: Conoco State 10 A 1Y Battery Facility Type: API No. 30-015-23289 Surface Owner Mineral Owner LOCATION OF RELEASE Unit Letter Feet from the North/South Line Feet from the East/West Line Section: Township: Range County: 10 198 29E Eddy Latitude 32.676970 Longitude -104.065390 NATURE OF RELEASE Type of Release: Oil and Water Volume of Release: 3 BBLS Oil 2 Volume Recovered: BBLS Water Source of Release: Date and Hour of Occurrence: Date and Hour of Discovery: High Pressure Vent Line 1/10/2015 1/10/2015 8:45 am If YES, To Whom? Was Immediate Notice Given? ☐ Yes 🛛 No 🗌 Not Required By Whom? Date and Hour: Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* 3 inch steel high pressure vent line was compromised causing an approximate 5 bbl impact of produced water and crude oil. Describe Area Affected and Cleanup Action Taken.* Safety & Environmental Solutions, Inc. was retained by Oxy to fully remediate the above aforementioned site. This site has been remediated according to the remediation/work plan that was approved by the NMOCD representative on February 23, 2015. All remedial activities have been concluded for this 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. OIL CONSERVATION DIVISION Chris Jones Digitally signed by Chris Jones Digitally signed b Approved by Environmental Specialist: Printed Name Christopher Jones: Title: HES SPECIALIST Approval Date: Expiration Date: E-mail Address:Christopher_jones@oxy.com Conditions of Approval: Attached Date: 3-23-15 Phone: 575-499-3337

^{*} Attach Additional Sheets If Necessary