Received 2/26/2016 NMOCD Artesia

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

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.

Release Notification and Corrective Action **OPERATOR** Initial Report Final Report Oxy Permian Ltd. Name of Company Contact Casey Summers 6 Desta Drive, Midland, TX 79705 Telephone No. (575) 513-8289 Facility Name Lost Tank 33 Federal #2 SWD Facility Type SWD Surface Owner BLM Mineral Owner 30-015-29330 API No. LOCATION OF RELEASE Unit Letter North/South Line Section Township Range Feet from the Feet from the East/West Line County M 33 218 31E Eddy County, NM Latitude N 32.42870° Longitude W 103.78971° NATURE OF RELEASE Type of Release Produced water Volume of Release 80 bbls Volume Recovered 70 bbls Source of Release Coupler on well head failed due to vibration and Date and Hour of Occurrence Date and Hour of Discovery high pressure 09/03/2015 Was Immediate Notice Given? If YES, To Whom? Mike Bratcher, Heather Patterson-NMOCD: Shelly Tucker-BLM By Whom? Kathy Purvis, BBC International Date and Hour 09/03/2015 @ 5:03 pm 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.* The steel coupler on the well head failed due to high pressure and vibration causing 80 bbls of produced water to leak onto the ground. A vacuum truck recovered 70 bbls of produced water and the coupler was replaced. Describe Area Affected and Cleanup Action Taken.* The affected area is approximately 85' x 40' on location. Remediation was completed in accordance with the remediation plan approved by Mike Bratcher of NMOCD via email on 11/25/2015 and approved by Dara Glass of the BLM via email on 12/14/2015. 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 Signature: Approved by Environmental Specialist: Printed Name: Casey Summers Title: NM Environmental Advisor Approval Date: 2/29/2016 Expiration Date: N/A E-mail Address: Casey Summers@oxy.com Conditions of Approval: Attached **FINAL** 2-23-16 Phone: (575) 513-8289