Received 8/9/2016 NMOCD Artesia

District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Ariesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV

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.

1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 Release Notification and Corrective Action **OPERATOR** Initial Report Final Report Name of Company Oxy Permian Ltd. Contact Casey Summers 6 Desta Drive, Midland, TX 79705 Address Telephone No. (575) 513-8289 Facility Name Neff Federal #1 and #3 SWD Battery Facility Type Battery Surface Owner BLM Mineral Owner API No.30-015-28281 LOCATION OF RELEASE Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line County C 25 228 31E Eddy County, NM Latitude N 32.36758° Longitude W 103.73418° NATURE OF RELEASE Type of Release Produced water Volume of Release Unknown, Volume Recovered 80 bbls, mostly rain mixed with rain water water Source of Release Corrosion of a 4" discharge line Date and Hour of Occurrence Date and Hour of Discovery 08/24/2015 Was Immediate Notice Given? If YES, To Whom? Yes No Not Required Mike Bratcher and Heather Patterson, NMOCD and Shelly Tucker, BLM By Whom? Kathy Purvis, BBC International Date and Hour 08/25/2015 @ 3:06 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.* Corrosion of a 4" steel discharge line caused an unknown amount of produced water to leak onto the ground. The line was repaired and a vacuum truck recovered 80 bbls of fluids, mostly rain water. Describe Area Affected and Cleanup Action Taken.* The affected area is approximately 80' x 75' just west of the lined battery. Remediation was completed in accordance with the remediation plan approved by Mike Bratcher of NMOCD via email on 05/12/2016 and by Shelly Tucker of the BLM via email on 06/13/2016. 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. An 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 NM Environmental Advisor Approval Date: 8/15/2016 N/A **Expiration Date:** E-mail Address: Casey_Summers@oxy.com Conditions of Approval: Attached

Phone: (575) 513-8289

* Attach Additional Sheets If Necessary

FINAL.