RECEIVED

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**

MAR 2 5 2013

Form C-141 Revised October 10, 2003

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

NOOD ARTESIA Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action **OPERATOR** Final Report Name of Company: Oxy Permian LTD (192463) 192463 Contact: Chris Jones Address: 1502 W. Commerce, Carlsbad, NM 88220 Telephone No.: 575-628-4121 Facility Name: Old Ranch Canyon 7 Federal #1 Facility Type: Well Surface Owner: Federal Mineral Owner API#: 30-015-28011 LOCATION OF RELEASE Unit Letter Township Feet from the North/South Line East/West Line County: Eddy Section Range Feet from the В 7 22S 24E 660' North 1980' East Latitude 32.410710 N Longitude 104.5342 W NATURE OF RELEASE Type of Release: Produced Water Volume of Release: 60 bbls Volume Recovered: 25 bbls Source of Release: Production Line Date and Hour of Occurrence: Date and Hour of Discovery: 3/12/2013 3/12/2013 If YES, To Whom? Was Immediate Notice Given? ☑ Yes ☐ No ☐ Not Required OCD/Mike Bratcher & BLM/Jim Amos By Whom: Nick Borovsky 575-200-7291 Date and Hour: 3/12/2013 10:18 am 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.* A 6-inch steel production flow line leaked causing a release of 60 barrels of produced water. A vac truck was immediately called to the location and recovered 25 barrels. Describe Area Affected and Cleanup Action Taken.* The area impacted was 150'x300' down the canyon. Talon/LPE has been contracted to complete site assessment and remediation activities. 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, NYCOD 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 District Supervisor: Signed By Printed Name: Chris Jones Approval DAPER 0 4 2013 Title: HES Specialist **Expiration Date:** E-mail Address: Christopher Jones@oxy.com Conditions of Approval: Attached Date: 3/14/2013 Phone: .575-628-4121 * Attach Additional Sheets If Necessary

Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION

PROPOSAL NO LATER THAN: