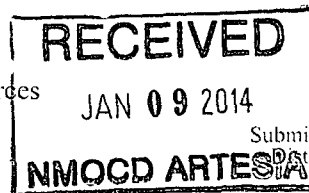


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Form C-141
Revised October 10, 2003
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

NTM 1402142800

OPERATOR

☒ Initial Report ☐ Final Report

| | | | |
|-----------------|------------------------------------|---------------|-------------------|
| Name of Company | Oxy Permian Ltd. | Contact | Christopher Jones |
| Address | 1502 W. Commerce Dr., Carlsbad, NM | Telephone No. | (575) 628-4121 |
| Facility Name | Righthand Canyon 35-7 SWD Battery | Facility Type | Gathering |

| | | | | | |
|---------------|-----|---------------|--|---------|----------------------------|
| Surface Owner | BLM | Mineral Owner | | API No. | 30-015-34529(nearest well) |
|---------------|-----|---------------|--|---------|----------------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|-----------------|
| K | 35 | 21S | 24E | | | | | Eddy County, NM |

Latitude _____ Longitude _____

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|-------------------------------------|----------------------------|----------|
| Type of Release | Produced water | Volume of Release | 800 bbls | Volume Recovered | 720 bbls |
| Source of Release | Bad service card on PLC caused power loss to pumps so tanks spilled over | Date and Hour of Occurrence | 01/01/2014 | Date and Hour of Discovery | |
| Was Immediate Notice Given? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | Mike Bratcher-NMOCD, James Amos-BLM | | |
| By Whom? | Jennifer Gilkey, BBC International | Date and Hour | 01/02/2014 @ 1:58 pm | | |
| Was a Watercourse Reached? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | | | |

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

A bad service card on the PLC caused a power loss to the pumps causing the tanks to spill 800 bbls of produced water onto the ground. 720 bbls of produced water were recovered via vacuum truck and the service card was replaced.

Describe Area Affected and Cleanup Action Taken.*

The affected area is approximately 60' x 100' on location. Remediation will be completed in accordance with a plan approved by NMOCD and the BLM.

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.

| | | | |
|-----------------|---------------------------|----------------------------------|--|
| Signature: | | | |
| Printed Name: | Christopher Jones | Approved by District Supervisor: | Signed By <i>Mike Bratcher</i> |
| Title: | HES Specialist | Approval Date: | JAN 21 2014 |
| E-mail Address: | Christopher_Jones@oxy.com | Expiration Date: | |
| Date: | 1/9/14 | Conditions of Approval: | Remediation per OCD Rule & Guidelines, & like approval by BLM. SUBMIT REMEDIATION PROPOSAL NO LATER THAN: February 21, 2014 |
| Phone: | (575) 628-4121 | Attached | <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

2RP-2152

Bratcher, Mike, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>
Sent: Thursday, January 09, 2014 9:24 AM
To: Bratcher, Mike, EMNRD; jamos@blm.gov
Cc: christopher_jones@oxy.com; cbrunson@bbcinternational.com;
kswinney@bbcinternational.com; jgilkey@bbcinternational.com
Subject: Initial C-141, Righthand Canyon 35-7 SWD Battery
Attachments: Initial C-141, Righthand Canyon 35-7 SWD Btry.pdf

Follow Up Flag: Follow up
Flag Status: Completed

Attached is the initial C-141 for a leak that occurred at the Righthand Canyon 35-7 SWD Battery on 01/01/2014 in Eddy County, NM. Receipt notification via email is greatly appreciated.

Kathy Purvis

BBC International, Inc.

1324 W. Marland

Hobbs, NM 88240

Phone: (575) 397-6388

Fax: (575) 397-0397

Email: kathy@bbcinternational.com

Bratcher, Mike, EMNRD

From: Jennifer Gilkey <jgilkey@bbcinternational.com>
Sent: Thursday, January 02, 2014 1:58 PM
To: James Amos; Bratcher, Mike, EMNRD
Cc: Christopher_Jones@oxy.com; Cliff Brunson ; Ken Swinney; Kathy Purvis
Subject: Leak Notification - Righthand Canyon 35-7 SWD

On behalf of Oxy, this is to inform you Oxy Permian Primary NM North had a release at the Righthand Canyon 35-7 SWD on January 1, 2014. Oxy released 800 bbls of produced water, 720 bbls were recovered using a vacuum truck. Spill did not leave the location. The leak was due to a bad service card which caused a power loss to the pumps and caused the tanks to spill over. The leak is located in UL K, Sec 35, T21S, R24E in Eddy County. API number 30-015-34259. Initial C141 to follow. BBC will delineate at a later date. Driving directions: Carlsbad – go north on Hwy 285 to CR 137, go 10 miles, cross over low water crossing, take 1st left go on caliche road, go 4 miles to top of hill, take 1st right to facility.

Have a great day!

Jennifer Gilkey

Administrative Manager

BBC International, Inc.

Phone: (575) 397-6388

Fax: (575) 397-0397

E-mail: jgilkey@bbcinternational.com

1324 W. Marland Blvd.

Hobbs, NM 88240
