

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

HOBBS OCD

OCT 10 2014

RECEIVED

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

| | | | |
|-----------------|---------------------------------------|---------------|------------------|
| Name of Company | Oxy Permian Ltd. | Contact | Chancey Summers |
| Address | 1017 W. Stanolind Rd, Hobbs, NM 88240 | Telephone No. | (575) 397-8216 |
| Facility Name | Covington A Federal #9 CTB | Facility Type | Battery location |
| Surface Owner | BLM | Mineral Owner | |
| | | API No. | 30-025-32036 |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|----------------|
| N | 25 | 22S | 32E | | | | | Lea County, NM |

Latitude N 32.35681° Longitude W 103.63049°

NATURE OF RELEASE

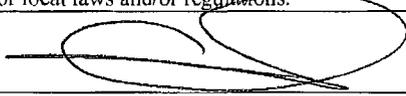
| | | | | | |
|-----------------------------|---|---|---------------------------------------|----------------------------|--------|
| Type of Release | Oil | Volume of Release | 15 bbls | Volume Recovered | 0 bbls |
| Source of Release | Dump valve on equalizing line was closed and caused the water to go to the oil tank | Date and Hour of Occurrence | 09/30/2014 | 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? | Tomas Oberding-NMOCD; Sol Hughes- BLM | | |
| By Whom? | Kathy Purvis | Date and Hour | 10/01/2014 @ 4:40 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 dump valve to an equalizing line was closed causing the water to go to the oil tank and spill 15 bbls of oil onto the ground. No fluid were recovered and the dump valve was opened correctly.

Describe Area Affected and Cleanup Action Taken.*
The affected area is approximately 6' x 25' and is on location. Remediation will be completed in accordance with a remediation 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: |  | | OIL CONSERVATION DIVISION | |
| Printed Name: | Chancey Summers | | Approved by Environmental Specialist: | |
| Title: | HES Advisor | | Approval Date: | 10-10-14 |
| E-mail Address: | Chancey.Summers@oxy.com | | Expiration Date: | 12-10-14 |
| Date: | 10-10-14 | | Phone: | (575) 397-8216 |
| Conditions of Approval: | | | Attached <input type="checkbox"/> | |
| <i>Site inspection complete & remediate area on per NMOCD guidelines. Submit final C-141 by 12-10-14</i> | | | <i>IRP-3376 09110 16596 11014 28 728909 11014 28 729182</i> | |

* Attach Additional Sheets If Necessary

OCT 17 2014