

Closure Report

Site Description		
Site Name:	Indian Hills Unit #39	NM OIL CONSERVATION
Company:	Oxy Permian Ltd.	ARTESIA DISTRICT
Legal Description:	U/L K, Section 16, T21S, R24E	JUN 06 2014
County:	Eddy County, NM	
GPS Coordinates:	N 32.47631° W 104.50565°	RECEIVED

Release Data	
Date of Release:	01/07/2014
Type of Release:	Oil and Produced water
Source of Release:	6" steel production flow line
Volume of Release:	4 bbls oil, 106 bbls produced water
Volume Recovered:	0 bbls

Remediation Specifications		
Remediation Parameters:	Excavate to a depth of 2 feet in the leak area around SP1 and SP2. In the area of SP3, excavate to a depth of 1 foot. Then, backfill the site with clean soil.	
Remediation Activities:	05/20/2014 to 05/28/2014	
Plan Sent to OCD:	04/06/2014	Email from Cliff Brunson to Mike Bratcher
OCD Approval of Plan:	04/01/2014	Verbal approval from Mike Bratcher in mtg
Plan Sent to BLM:	n/a	n/a
BLM Approval of Plan:	n/a	n/a

Supporting Documentation	
Initial C-141	Signed 1/9/14
Final C-141	Signed 6/4/14
Site Diagram	January 2014
Groundwater Plot	<50'
TOPO Maps	January 2014
Lab Summary	01/23/2014
Lab Analysis	01/23/2014
Correspondence	Request and approval of remediation plan via email

Request for Closure	
Based on the completion of the remediation plan as agreed upon, BBC International requests closure approval from NMOCD.	
Cliff Brunson, President of BBC International Inc.	06/04/2014

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

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	Indian Hills Unit #39	Facility Type	Well Location

Surface Owner	BLM	Mineral Owner		API No.	30-015-32103
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
K	16	21S	24E	1690	South	1701	East	Eddy County, NM

Latitude N 32.47646° Longitude W 104.50610°

NATURE OF RELEASE

Type of Release	Oil and Produced water	Volume of Release	4 bbls oil, 106 bbls produced water	Volume Recovered	0 bbls
Source of Release	6" steel production flow line	Date and Hour of Occurrence	01/07/2014	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, JeanMarie Warren-NMOCD, James Amos-BLM, Jennifer Van Curen-BLM		
By Whom?	Jennifer Gilkey, BBC International	Date and Hour	12/30/2013 @ 12:45 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 leak in a 6" steel production flow line caused 4 bbls of oil and 106 bbls of produced water to leak onto the ground. No fluids were recovered and the line was repaired.

Describe Area Affected and Cleanup Action Taken.*

The affected area is approximately 20' x 400' on and off 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.

OIL CONSERVATION DIVISION

Signature:	Approved by District Supervisor:		
Printed Name: Christopher Jones			
Title: HES Specialist	Approval Date:	Expiration Date:	
E-mail Address: Christopher.Jones@oxy.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 1/9/14 Phone: (575) 628-4121			

* Attach Additional Sheets If Necessary

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☐ Initial Report ☒ Final Report

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Address	1502 W. Commerce Dr., Carlsbad, NM	Telephone No.	(575) 628-4121
Facility Name	Indian Hills Unit #39	Facility Type	Well Location

Surface Owner	BLM	Mineral Owner		API No.	30-015-32103
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Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
K	16	21S	24E	1690	South	1701	East	Eddy County, NM

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Source of Release	6" steel production flow line	Date and Hour of Occurrence	01/07/2014	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, JeanMarie Warren-NMOCD, James Amos-BLM, Jennifer Van Curen-BLM		
By Whom?	Jennifer Gilkey, BBC International	Date and Hour	12/30/2013 @ 12:45 pm		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse	NM OIL CONSERVATION ARTESIA DISTRICT		

If a Watercourse was Impacted, Describe Fully.*

JUN 06 2014

RECEIVED

Describe Cause of Problem and Remedial Action Taken.*

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Describe Area Affected and Cleanup Action Taken.*

The affected area is approximately 20' x 400' on and off location. Remediation was completed in accordance with the remediation plan approved by Mike Bratcher of NMOCD via meeting on 04/01/2014.

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:

Printed Name: Christopher Jones

Title: HES Specialist

E-mail Address: Christopher.Jones@oxy.com

Date: 6-4-14 Phone: (575) 628-4121

Approved by District Supervisor:

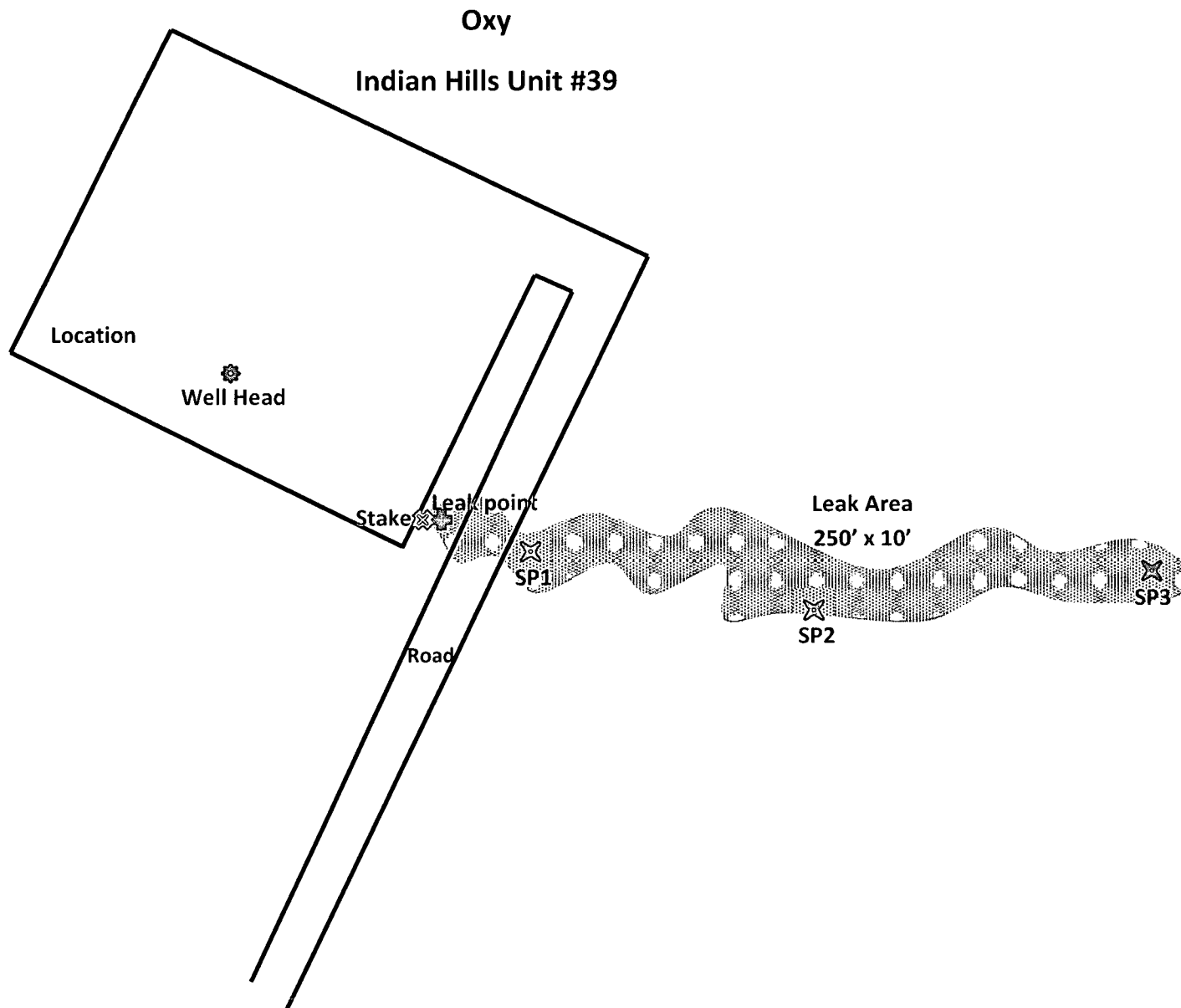
Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

* Attach Additional Sheets If Necessary



U/L K, Section 16, T21S, R24E
1690' FSL, 1701' FEL
Eddy County, NM
GPS at stake: N 32.47631° N 104.50565°
API# 30-015-32103

BBC International, Inc.

Oxy
Indian Hills Unit #39

Date: 01/27/2014

DRWG by: K. Purvis

NOT TO SCALE

File: Oxy 2014

Groundwater Plot

Oxy Indian Hills Unit #39

County
Eddy

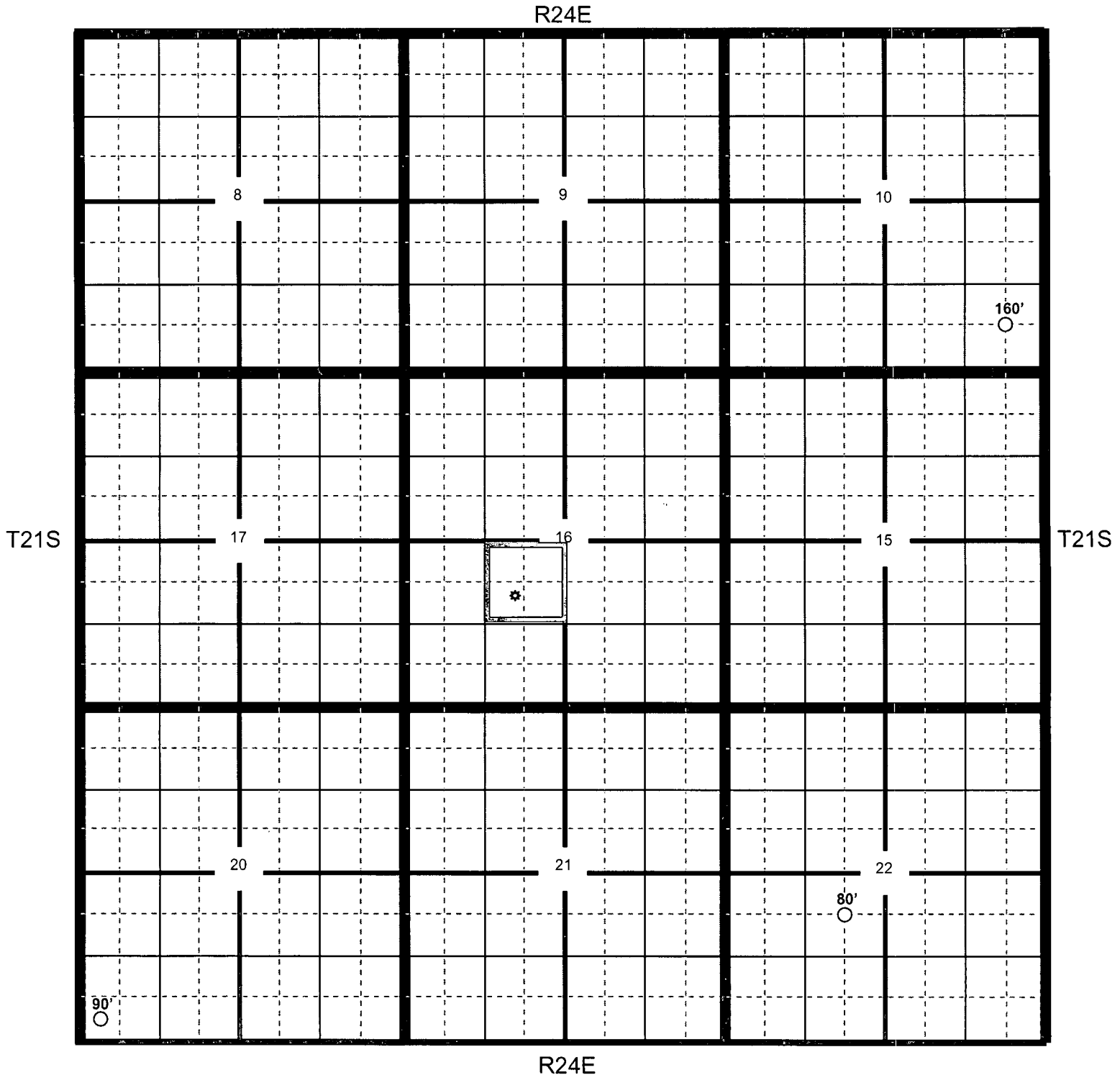
Unit Letter
K

Section
16

Township
21S

Range
24E

Trend Map <50'



★ Location

○ OCD

○ USGS

○ SEO

● All Databases

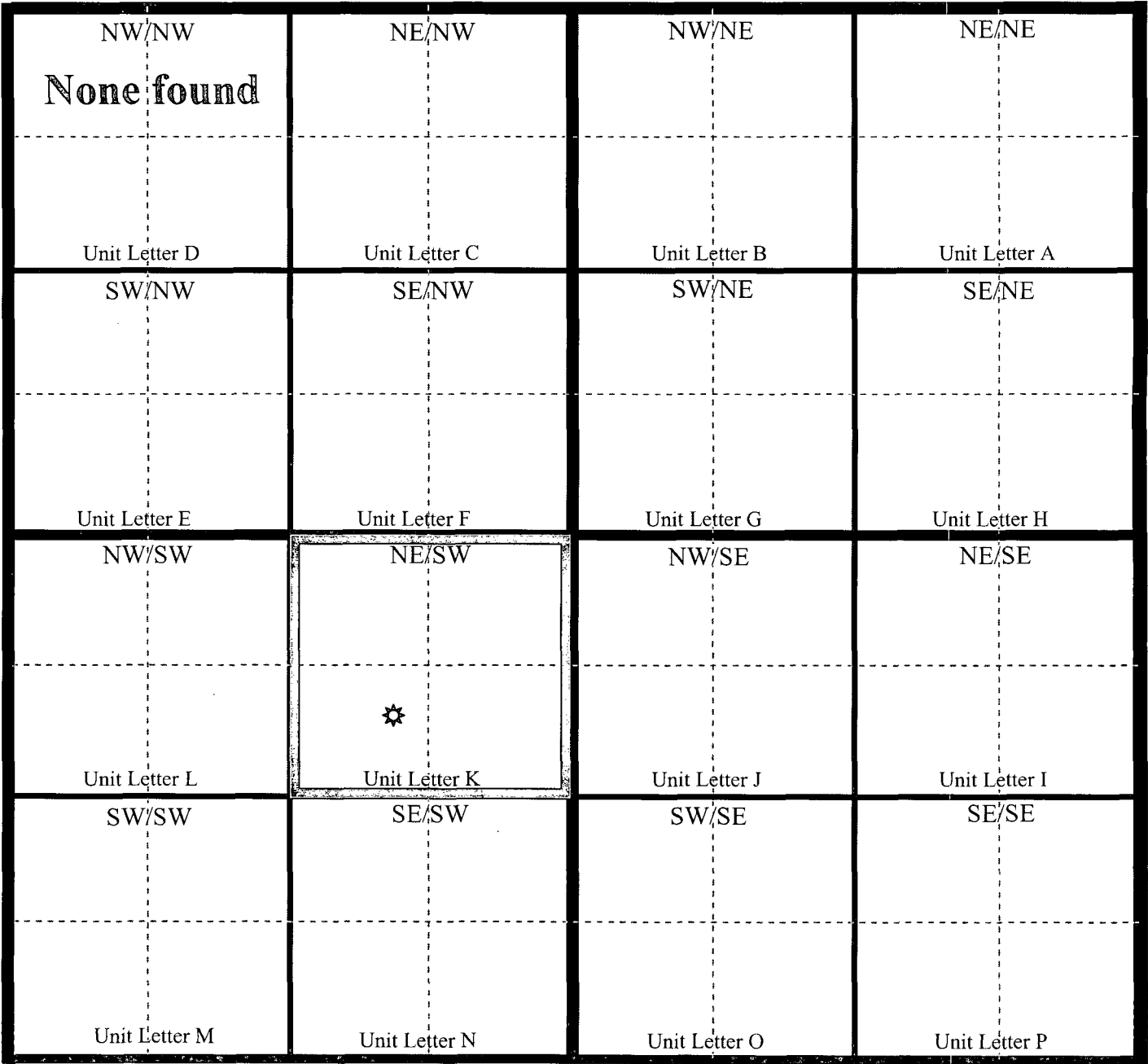
Oxy Indian Hills Unit #39

County	Unit Letter	Section	Township	Range
Eddy	K	16	21S	24E

Trend Map <50'

1

2



3

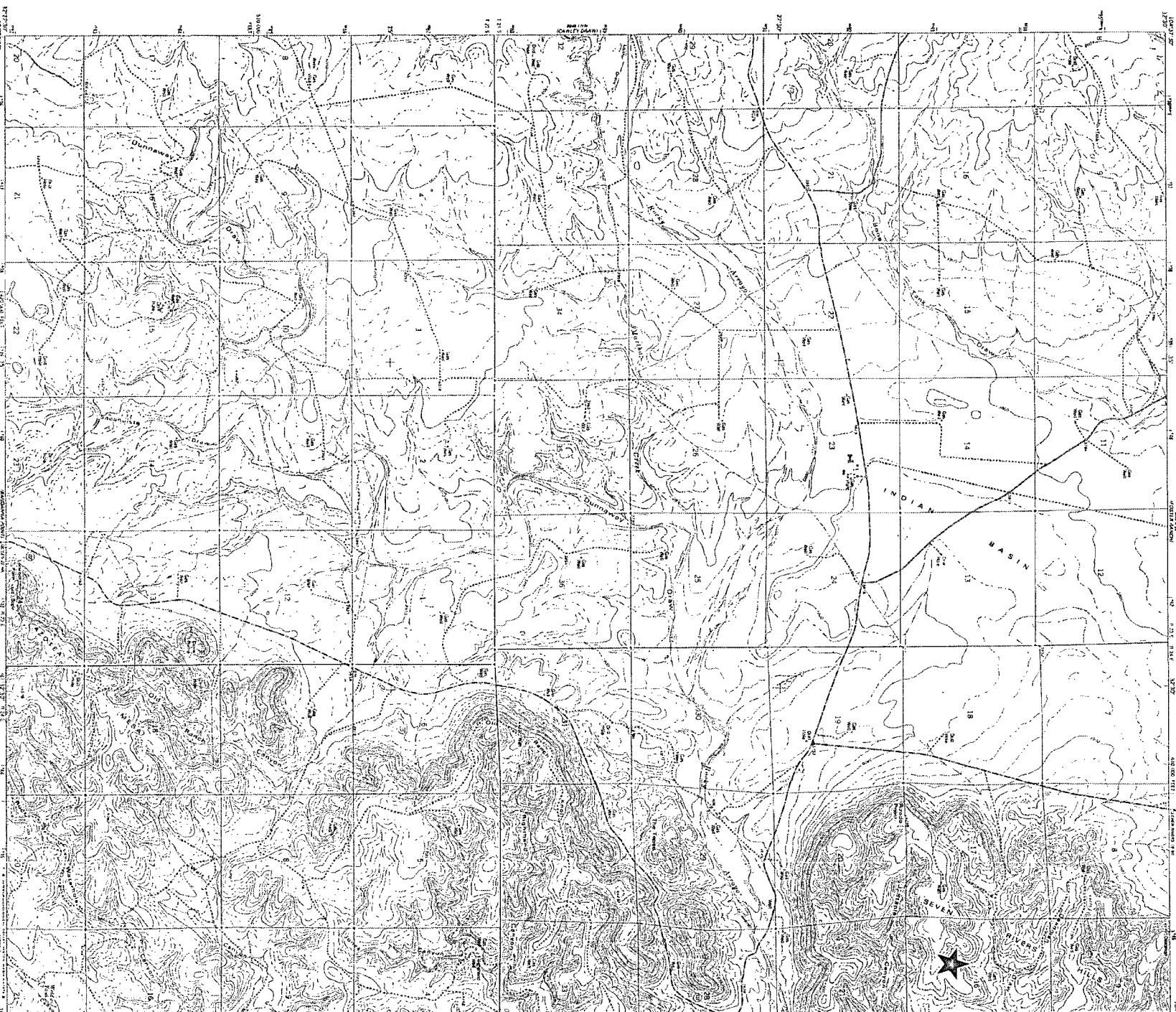
4

Oxy

Indian Hills Unit #39

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MARTHA CREEK QUADRANGLE
NEW MEXICO—EDDY CO. PHO.
1:50,000
GEOLOGICAL SURVEY OF THE UNITED STATES



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Map of Indian Hills Unit #39, New Mexico—Eddy County, showing topographic features and geological structures. The map is oriented with North at the top. The title 'Indian Hills Unit #39' is prominently displayed at the top center. The map includes a grid system with coordinates ranging from 107° 30' W to 108° 30' W and 32° 30' N to 33° 30' N. The terrain is characterized by numerous contour lines, indicating varying elevations. Key geographical features include Indian Hills, Seven Rivers, and the Dunsmuir River. A star is located in the lower right quadrant, near the intersection of the 108° 30' W and 32° 30' N lines. The map includes a scale bar at the bottom left, showing distances in miles and feet. A legend at the bottom right explains the symbols used for various features, including roads, trails, and water bodies. The map is titled 'Indian Hills Unit #39' in large, bold letters at the top center.

Scale 1:50,000
CONTOUR INTERVAL 20 FEET
NAD 83 DATUM
VERTICAL DATUM 1929

Map of Indian Hills Unit #39, New Mexico—Eddy County, showing topographic features and geological structures. The map is oriented with North at the top. The title 'Indian Hills Unit #39' is prominently displayed at the top center. The map includes a grid system with coordinates ranging from 107° 30' W to 108° 30' W and 32° 30' N to 33° 30' N. The terrain is characterized by numerous contour lines, indicating varying elevations. Key geographical features include Indian Hills, Seven Rivers, and the Dunsmuir River. A star is located in the lower right quadrant, near the intersection of the 108° 30' W and 32° 30' N lines. The map includes a scale bar at the bottom left, showing distances in miles and feet. A legend at the bottom right explains the symbols used for various features, including roads, trails, and water bodies. The map is titled 'Indian Hills Unit #39' in large, bold letters at the top center.

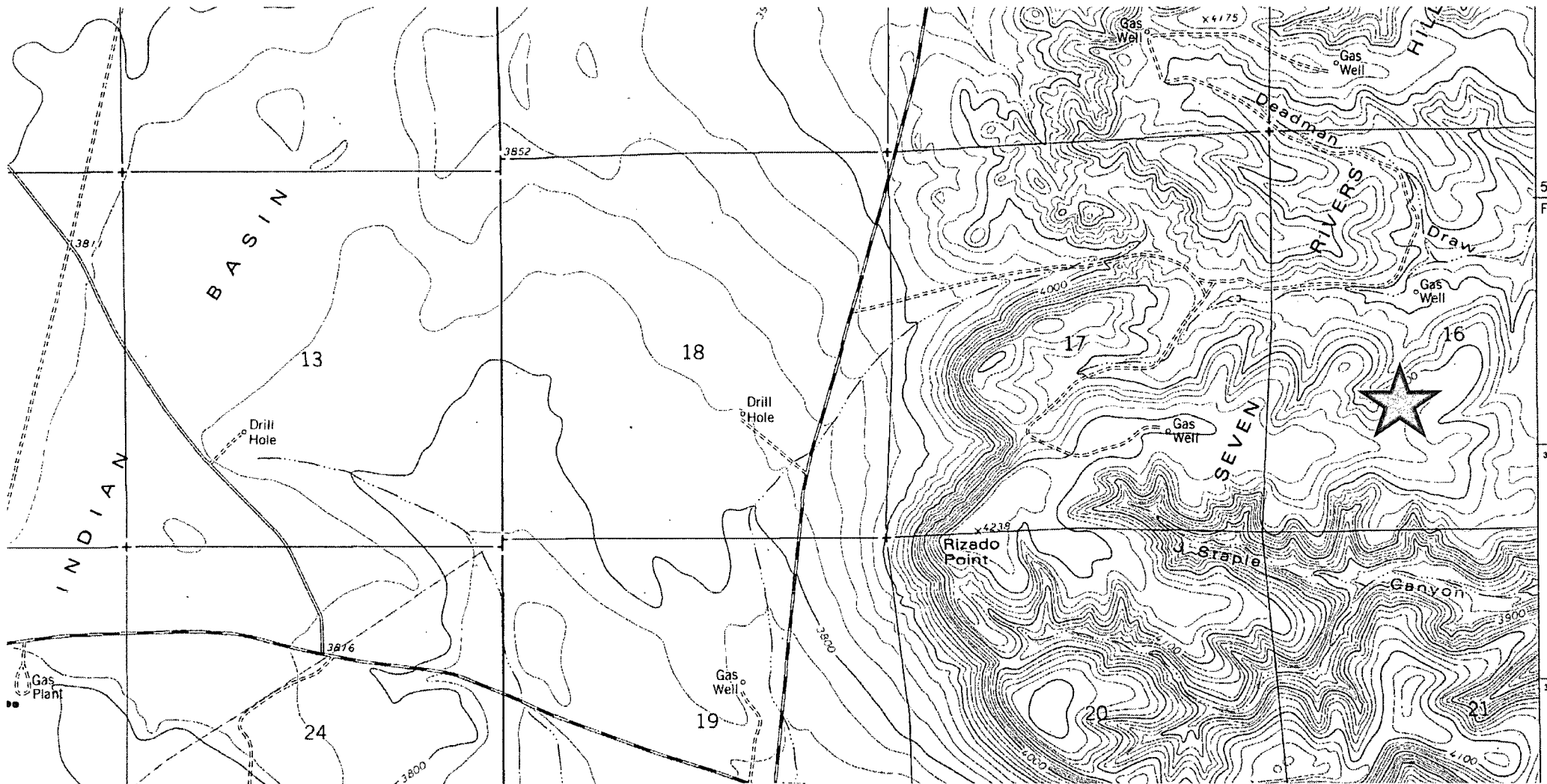
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MARTHA CREEK, N. MEX.
1:50,000
GEOLOGICAL SURVEY OF THE UNITED STATES

Oxy

Indian Hills Unit #39



**Laboratory Analytical Results Summary
Indian Hills #39**

		Sample	SP1 @ 1'	SP1 @ 2'
Analyte	Method	Date	1/23/14	1/23/14
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		<0.050	<0.050
Toluene	BTEX 8021B		<0.050	0.131
Ethylbenzene	BTEX 8021B		0.142	0.183
Total Xylenes	BTEX 8021B		1.43	1.21
Total BTEX	BTEX 8021B		1.58	1.53
Chloride	SM4500Cl-B		272	176
GRO	TPH 8015M		44.4	10.2
DRO	TPH 8015M		1750	623

		Sample	SP2 @ 1'	SP2 @ 2'
Analyte	Method	Date	1/23/14	1/23/14
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		<0.050	<0.050
Toluene	BTEX 8021B		0.136	0.055
Ethylbenzene	BTEX 8021B		0.251	0.063
Total Xylenes	BTEX 8021B		2.06	0.444
Total BTEX	BTEX 8021B		2.45	0.562
Chloride	SM4500Cl-B		192	192
GRO	TPH 8015M		28.2	<10.0
DRO	TPH 8015M		1140	556

		Sample	SP3 @ 1'
Analyte	Method	Date	1/23/14
			mg/Kg
Benzene	BTEX 8021B		<0.050
Toluene	BTEX 8021B		<0.050
Ethylbenzene	BTEX 8021B		0.063
Total Xylenes	BTEX 8021B		0.438
Total BTEX	BTEX 8021B		0.501
Chloride	SM4500Cl-B		176
GRO	TPH 8015M		11.5
DRO	TPH 8015M		633



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

January 31, 2014

Cliff Brunson

BBC International, Inc.

P.O. Box 805

Hobbs, NM 88241

RE: INDIAN HILLS #39

Enclosed are the results of analyses for samples received by the laboratory on 01/27/14 9:00.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Celey D. Keene". The signature is written in a cursive style with a large, stylized 'C' and 'K'.

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 01/27/2014
Reported: 01/31/2014
Project Name: INDIAN HILLS #39
Project Number: NONE GIVEN
Project Location: INDIAN BASIN

Sampling Date: 01/23/2014
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Kathy Perez

Sample ID: SP 1 @ 1' (H400246-01)

BTEX 8021B		mg/kg	Analyzed By: MS					S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	01/31/2014	ND	2.44	122	2.00	0.161	
Toluene*	<0.050	0.050	01/31/2014	ND	2.37	119	2.00	0.245	
Ethylbenzene*	0.142	0.050	01/31/2014	ND	2.36	118	2.00	0.0847	
Total Xylenes*	1.43	0.150	01/31/2014	ND	6.86	114	6.00	0.152	
Total BTEX	1.58	0.300	01/31/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIL) 162 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	272	16.0	01/30/2014	ND	400	100	400	0.00	
TPH 8015M		mg/kg		Analyzed By: ms					

Surrogate: 1-Chlorooctane 113 % 65.2-140

Surrogate: 1-Chlorooctadecane 125 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 01/27/2014
 Reported: 01/31/2014
 Project Name: INDIAN HILLS #39
 Project Number: NONE GIVEN
 Project Location: INDIAN BASIN

 Sampling Date: 01/23/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Kathy Perez

Sample ID: SP 1 @ 2' (H400246-02)

BTEX 8021B		mg/kg		Analyzed By: MS					S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434		
Toluene*	0.131	0.050	01/30/2014	ND	2.35	117	2.00	0.0933		
Ethylbenzene*	0.183	0.050	01/30/2014	ND	2.32	116	2.00	0.108		
Total Xylenes*	1.21	0.150	01/30/2014	ND	6.88	115	6.00	1.47		
Total BTEX	1.53	0.300	01/30/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIC) 161 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	176	16.0	01/30/2014	ND	400	100	400	0.00	
TPH 8015M		mg/kg		Analyzed By: ms					

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	10.2	10.0	01/28/2014	ND	192	96.2	200	0.594		
DRO >C10-C28	623	10.0	01/28/2014	ND	183	91.4	200	2.51		


Surrogate: 1-Chlorooctane 94.4 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

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BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received:	01/27/2014	Sampling Date:	01/23/2014
Reported:	01/31/2014	Sampling Type:	Soil
Project Name:	INDIAN HILLS #39	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	INDIAN BASIN		

Sample ID: SP 2 @ 1' (H400246-03)

BTX 8021B		mg/kg	Analyzed By: MS					S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434	
Toluene*	0.136	0.050	01/30/2014	ND	2.35	117	2.00	0.0933	
Ethylbenzene*	0.251	0.050	01/30/2014	ND	2.32	116	2.00	0.108	
Total Xylenes*	2.06	0.150	01/30/2014	ND	6.88	115	6.00	1.47	
Total BTX	2.45	0.300	01/30/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIE) 170 % 89.4-126

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	192	16.0	01/30/2014	ND	400	100	400	0.00	

TPH 8015M		mg/kg	Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	28.2	10.0	01/28/2014	ND	192	96.2	200	0.594	
DRO >C10-C28	1140	10.0	01/28/2014	ND	183	91.4	200	2.51	


Surrogate: 1-Chlorooctane 93.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 111 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

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Cliff Brunson
P.O. Box 805
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Fax To: (575) 397-0397

Received: 01/27/2014
Reported: 01/31/2014
Project Name: INDIAN HILLS #39
Project Number: NONE GIVEN
Project Location: INDIAN BASIN

Sampling Date: 01/23/2014
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Kathy Perez

Sample ID: SP 2 @ 2' (H400246-04)

BTEX 8021B		mg/kg		Analyzed By: MS				S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434	
Toluene*	0.055	0.050	01/30/2014	ND	2.35	117	2.00	0.0933	
Ethylbenzene*	0.063	0.050	01/30/2014	ND	2.32	116	2.00	0.108	
Total Xylenes*	0.444	0.150	01/30/2014	ND	6.88	115	6.00	1.47	
Total BTEX	0.562	0.300	01/30/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIE) 130 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	192	16.0	01/30/2014	ND	400	100	400	0.00	
TPH 8015M		mg/kg		Analyzed By: ms					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	01/28/2014	ND	192	96.2	200	0.594	
DRO >C10-C28	556	10.0	01/28/2014	ND	183	91.4	200	2.51	

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	01/28/2014	ND	192	96.2	200	0.594	
DRO >C10-C28	556	10.0	01/28/2014	ND	183	91.4	200	2.51	

Surrogate: 1-Chlorooctane 95.5 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 01/27/2014
Reported: 01/31/2014
Project Name: INDIAN HILLS #39
Project Number: NONE GIVEN
Project Location: INDIAN BASIN

Sampling Date: 01/23/2014
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Kathy Perez

Sample ID: SP 3 @ 1' (H400246-05)

BTEX 8021B		mg/kg	Analyzed By: MS					S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434	
Toluene*	<0.050	0.050	01/30/2014	ND	2.35	117	2.00	0.0933	
Ethylbenzene*	0.063	0.050	01/30/2014	ND	2.32	116	2.00	0.108	
Total Xylenes*	0.438	0.150	01/30/2014	ND	6.88	115	6.00	1.47	
Total BTEX	0.501	0.300	01/30/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIE) 130 % 89.4-126

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	176	16.0	01/30/2014	ND	400	100	400	0.00	

TPH 8015M		mg/kg	Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	11.5	10.0	01/28/2014	ND	192	96.2	200	0.594	
DRO >C10-C28	633	10.0	01/28/2014	ND	183	91.4	200	2.51	

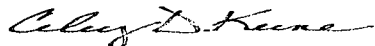
Surrogate: 1-Chlorooctane 94.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

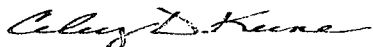
Notes and Definitions

- S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
- Samples reported on an as received basis (wet) unless otherwise noted on report

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Celey D. Keene, Lab Director/Quality Manager



Page 8 of 8

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† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

Jennifer Gilkey

From: Cliff P. Brunson <cbrunson@bbcinternational.com>
Sent: Sunday, April 06, 2014 4:50 PM
To: Mike Bratcher
Cc: Chris Jones; Ken Swinney; Jennifer Gilkey; Kathy Purvis
Subject: OXY-Indian Hills Unit #39-Remediation Plan
Attachments: Remediation Packet, Indian Hills Unit #39.pdf

Mike,

This e-mail is to confirm our conversation on April 1, 2014 about the remediation plan for the above referenced site. I have attached the materials that we used in our discussion. As discussed, Oxy will excavate to a depth of 2 feet in the leak area around SP1 and SP2 that is depicted on the attached site diagram. In the area of SP3, the excavation will be 1 foot. Then the site will then be backfilled with clean soil.

If you would please e-mail your concurrence with this remediation plan, it would be greatly appreciated.

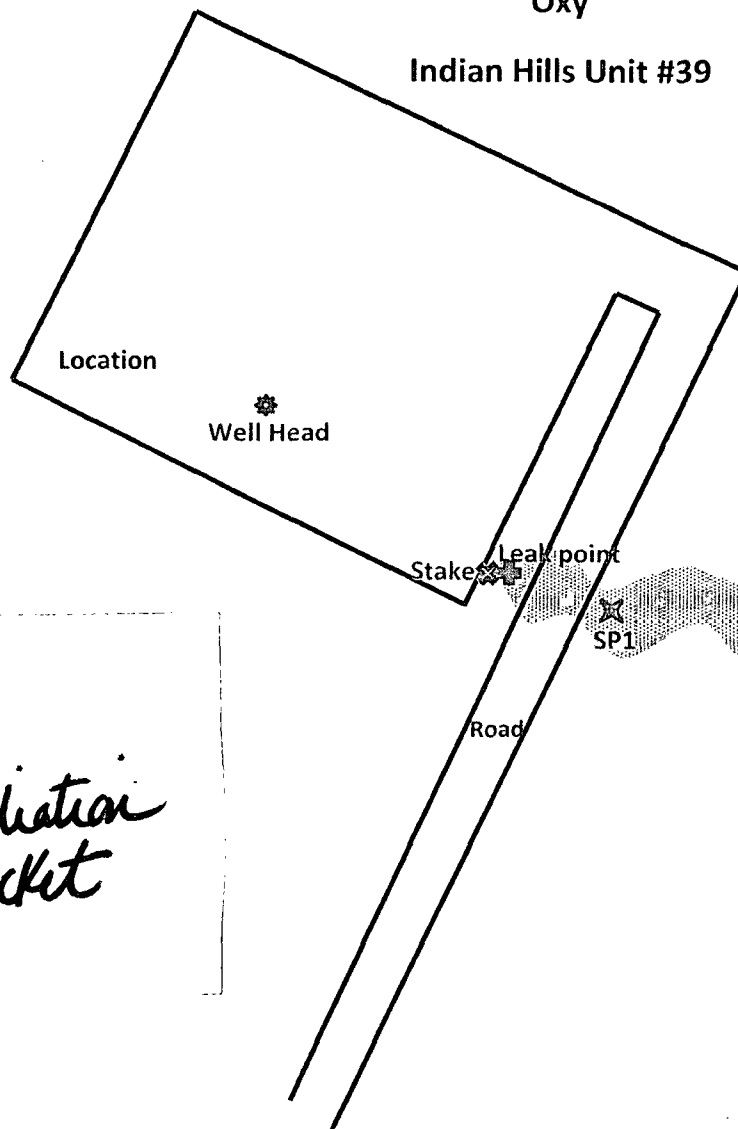
Thanks, Cliff

Cliff P. Brunson, CEI, CRS
President
BBC International, Inc.
World-Wide Environmental Specialists
Mailing Address:
P. O. Box 805
Hobbs, NM 88241-0805 USA
Shipping Address:
1324 W. Marland St.
Hobbs, NM 88240 USA
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Oxy
Indian Hills Unit #39



*Remediation
Packet*

U/L K, Section 16, T21S, R24E
1690'FSL, 1701'FEL
Eddy County, NM
GPS at stake: N 32.47631° N 104.50565°
API# 30-015-32103

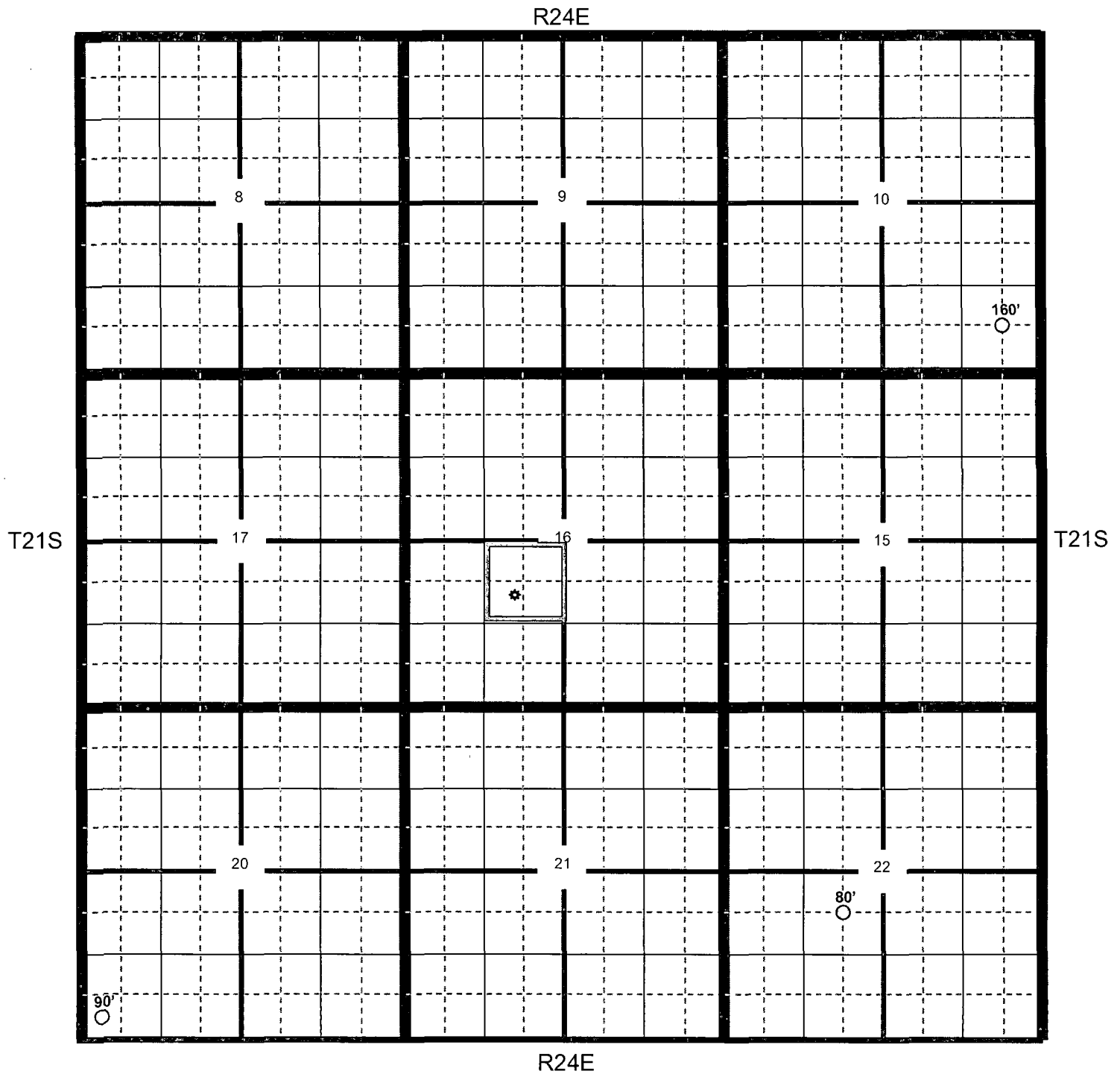
BBC International, Inc.	
Oxy Indian Hills Unit #39	
Date: 01/27/2014	DRWG by: K. Purvis
NOT TO SCALE	File: Oxy 2014



Groundwater Plot
Oxy Indian Hills Unit #39

County	Unit Letter	Section	Township	Range
Eddy	K	16	21S	24E

Trend Map <50'



★ Location ○ OCD ○ USGS ○ SEO ● All Databases



Section Quarters

Oxy Indian Hills Unit #39

County
Eddy

Unit Letter
K

Section
16


Township
21S

Range
24E

Trend Map <50'

1

2

NW/NW None found	NE/NW	NW/NE	NE/NE
Unit Letter D	Unit Letter C	Unit Letter B	Unit Letter A
SW/NW	SE/NW	SW/NE	SE/NE
Unit Letter E	Unit Letter F	Unit Letter G	Unit Letter H
NW/SW	NE/SW 	NW/SE	NE/SE
Unit Letter L	Unit Letter K	Unit Letter J	Unit Letter I
SW/SW	SE/SW	SW/SE	SE/SE
Unit Letter M	Unit Letter N	Unit Letter O	Unit Letter P

3

4

 Location

 OCD

 USGS

 SEO

 All Databases

**Laboratory Analytical Results Summary
Indian Hills #39**

		Sample	SP1 @ 1'	SP1 @ 2'
Analyte	Method	Date	1/23/14	1/23/14
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		<0.050	<0.050
Toluene	BTEX 8021B		<0.050	0.131
Ethylbenzene	BTEX 8021B		0.142	0.183
Total Xylenes	BTEX 8021B		1.43	1.21
Total BTEX	BTEX 8021B		1.58	1.53
Chloride	SM4500Cl-B		272	176
GRO	TPH 8015M		44.4	10.2
DRO	TPH 8015M		1750	623

		Sample	SP2 @ 1'	SP2 @ 2'
Analyte	Method	Date	1/23/14	1/23/14
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		<0.050	<0.050
Toluene	BTEX 8021B		0.136	0.055
Ethylbenzene	BTEX 8021B		0.251	0.063
Total Xylenes	BTEX 8021B		2.06	0.444
Total BTEX	BTEX 8021B		2.45	0.562
Chloride	SM4500Cl-B		192	192
GRO	TPH 8015M		28.2	<10.0
DRO	TPH 8015M		1140	556

		Sample	SP3 @ 1'
Analyte	Method	Date	1/23/14
			mg/Kg
Benzene	BTEX 8021B		<0.050
Toluene	BTEX 8021B		<0.050
Ethylbenzene	BTEX 8021B		0.063
Total Xylenes	BTEX 8021B		0.438
Total BTEX	BTEX 8021B		0.501
Chloride	SM4500Cl-B		176
GRO	TPH 8015M		11.5
DRO	TPH 8015M		633



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

January 31, 2014

Cliff Brunson

BBC International, Inc.

P.O. Box 805

Hobbs, NM 88241

RE: INDIAN HILLS #39

Enclosed are the results of analyses for samples received by the laboratory on 01/27/14 9:00.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 01/27/2014
Reported: 01/31/2014
Project Name: INDIAN HILLS #39
Project Number: NONE GIVEN
Project Location: INDIAN BASIN

Sampling Date: 01/23/2014
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Kathy Perez

Sample ID: SP 1 @ 1' (H400246-01)

BTEX 8021B		mg/kg		Analyzed By: MS				S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	01/31/2014	ND	2.44	122	2.00	0.161	
Toluene*	<0.050	0.050	01/31/2014	ND	2.37	119	2.00	0.245	
Ethylbenzene*	0.142	0.050	01/31/2014	ND	2.36	118	2.00	0.0847	
Total Xylenes*	1.43	0.150	01/31/2014	ND	6.86	114	6.00	0.152	
Total BTEX	1.58	0.300	01/31/2014	ND					

Surrogate: 4-Bromofluorobenzene (PID) 162 % 89.4-126

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	272	16.0	01/30/2014	ND	400	100	400	0.00		

TPH 8015M		mg/kg	Analyzed By: ms							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	44.4	10.0	01/28/2014	ND	192	96.2	200	0.594		
DRO >C10-C28	1750	10.0	01/28/2014	ND	183	91.4	200	2.51		

Surrogate: 1-Chlorooctane 113 % 65.2-140

Surrogate: 1-Chlorooctadecane 125 % 63.6-154

Cardinal Laboratories

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 01/27/2014
Reported: 01/31/2014
Project Name: INDIAN HILLS #39
Project Number: NONE GIVEN
Project Location: INDIAN BASIN

Sampling Date: 01/23/2014
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Kathy Perez

Sample ID: SP 1 @ 2' (H400246-02)

BTEX 8021B		mg/kg		Analyzed By: MS					S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434		
Toluene*	0.131	0.050	01/30/2014	ND	2.35	117	2.00	0.0933		
Ethylbenzene*	0.183	0.050	01/30/2014	ND	2.32	116	2.00	0.108		
Total Xylenes*	1.21	0.150	01/30/2014	ND	6.88	115	6.00	1.47		
Total BTEX	1.53	0.300	01/30/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIE) 161 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	176	16.0	01/30/2014	ND	400	100	400	0.00		
TPH 8015M		mg/kg		Analyzed By: ms						

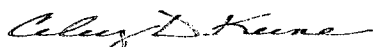
Surrogate: 1-Chlorooctane 94.4 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 01/27/2014
 Reported: 01/31/2014
 Project Name: INDIAN HILLS #39
 Project Number: NONE GIVEN
 Project Location: INDIAN BASIN

 Sampling Date: 01/23/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Kathy Perez

Sample ID: SP 2 @ 1' (H400246-03)

BTX 8021B		mg/kg	Analyzed By: MS					S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434	
Toluene*	0.136	0.050	01/30/2014	ND	2.35	117	2.00	0.0933	
Ethylbenzene*	0.251	0.050	01/30/2014	ND	2.32	116	2.00	0.108	
Total Xylenes*	2.06	0.150	01/30/2014	ND	6.88	115	6.00	1.47	
Total BTX	2.45	0.300	01/30/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIC) 170 % 89.4-126

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	192	16.0	01/30/2014	ND	400	100	400	0.00	

TPH 8015M		mg/kg	Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	28.2	10.0	01/28/2014	ND	192	96.2	200	0.594	
DRO >C10-C28	1140	10.0	01/28/2014	ND	183	91.4	200	2.51	

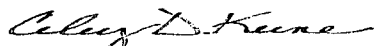
Surrogate: 1-Chlorooctane 93.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 111 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs, NM, 88241
 Fax To: (575) 397-0397

Received:	01/27/2014	Sampling Date:	01/23/2014
Reported:	01/31/2014	Sampling Type:	Soil
Project Name:	INDIAN HILLS #39	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	INDIAN BASIN		

Sample ID: SP 2 @ 2' (H400246-04)

BTX 8021B		mg/kg		Analyzed By: MS				S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434	
Toluene*	0.055	0.050	01/30/2014	ND	2.35	117	2.00	0.0933	
Ethylbenzene*	0.063	0.050	01/30/2014	ND	2.32	116	2.00	0.108	
Total Xylenes*	0.444	0.150	01/30/2014	ND	6.88	115	6.00	1.47	
Total BTX	0.562	0.300	01/30/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIL) 130 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	192	16.0	01/30/2014	ND	400	100	400	0.00	

TPH 8015M		mg/kg		Analyzed By: ms					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	01/28/2014	ND	192	96.2	200	0.594	
DRO >C10-C28	556	10.0	01/28/2014	ND	183	91.4	200	2.51	

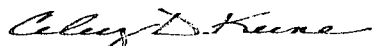
Surrogate: 1-Chlorooctane 95.5 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 01/27/2014
Reported: 01/31/2014
Project Name: INDIAN HILLS #39
Project Number: NONE GIVEN
Project Location: INDIAN BASIN

Sampling Date: 01/23/2014
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Kathy Perez

Sample ID: SP 3 @ 1' (H400246-05)

BTX 8021B		mg/kg		Analyzed By: MS				S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434	
Toluene*	<0.050	0.050	01/30/2014	ND	2.35	117	2.00	0.0933	
Ethylbenzene*	0.063	0.050	01/30/2014	ND	2.32	116	2.00	0.108	
Total Xylenes*	0.438	0.150	01/30/2014	ND	6.88	115	6.00	1.47	
Total BTX	0.501	0.300	01/30/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIC) 130 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	176	16.0	01/30/2014	ND	400	100	400	0.00	
TPH 8015M		mg/kg		Analyzed By: ms					

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	11.5	10.0	01/28/2014	ND	192	96.2	200	0.594	
DRO >C10-C28	633	10.0	01/28/2014	ND	183	91.4	200	2.51	

Surrogate: 1-Chlorooctane 94.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

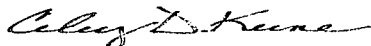
Notes and Definitions

S-04	The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

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Celey D. Keene, Lab Director/Quality Manager

• CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240



(505) 393-2326 FAX (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 8 of 8

Company Name: BBC International, Inc.						BILL TO								ANALYSIS REQUEST													
Project Manager: Cliff Brunson						P.O. #:																					
Address: P.O. Box 805						Company:																					
City: Hobbs		State: NM		Zip: 88241		Attn:																					
Phone #: 575-397-6388		Fax #: 575-397-0397		Project #:		Address: SAME																					
Project Name: Indian Hills #39		Project Owner: OKY		City:		State:								Zip:													
Project Location: Indian Basin		Sampler Name: ROGER FERNANDEZ		Phone #:		Fax #:																					
FOR LAB USE ONLY						MATRIX		PRESERV		SAMPLING																	
Lab I.D.		Sample I.D.		(G) GRAB OR (C) COMP.	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:	DATE	TIME											
H400246	SP 1 @ 1	G	1					✓				✓			1-23-14	929	✓	✓	✓								
	@ 2	G	1					✓				✓			1-23-14	945	✓	✓	✓								
	SP 2 @ 1	G	1					✓				✓			1-23-14	1048	✓	✓	✓								
	@ 2	G	1					✓				✓			1-23-14	1121	✓	✓	✓								
	SP 3 @ 1	G	1					✓				✓			1-23-14	1210	✓	✓	✓								

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Relinquished By: 		Date: 1-24-14	Received By:	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
		Time: 1:27:14		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:		Date: 1-27-14	Received By: 	REMARKS:	
		Time: 9:00			
Delivered By: (Circle One)		Sample Condition		CHECKED BY: (Initials)	
Sampler - UPS - Bus - Other:		Cool Intact		LP	
		<input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No			

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

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

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	Indian Hills Unit #39	Facility Type	Well Location

Surface Owner	BLM	Mineral Owner		API No.	30-015-32103
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
K	16	21S	24E	1690	South	1701	East	Eddy County, NM

Latitude N 32.47646° Longitude W 104.50610°

NATURE OF RELEASE

Type of Release	Oil and Produced water	Volume of Release	4 bbls oil, 106 bbls produced water	Volume Recovered	0 bbls
Source of Release	6" steel production flow line	Date and Hour of Occurrence	01/07/2014	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, JeanMarie Warren-NMOCD, James Amos-BLM, Jennifer Van Curen-BLM		
By Whom?	Jennifer Gilkey, BBC International	Date and Hour	12/30/2013 @ 12:45 pm		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

NM OIL CONSERVATION

If a Watercourse was Impacted, Describe Fully.*	ARTESIA DISTRICT JUN 06 2014
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RECEIVED

Describe Cause of Problem and Remedial Action Taken.* A leak in a 6" steel production flow line caused 4 bbls of oil and 106 bbls of produced water to leak onto the ground. No fluids were recovered and the line was repaired.

Describe Area Affected and Cleanup Action Taken.* The affected area is approximately 20' x 400' on and off 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.

OIL CONSERVATION DIVISION

Signature:	Approved by District Supervisor:		
Printed Name: Christopher Jones			
Title: HES Specialist	Approval Date:	Expiration Date:	
E-mail Address: Christopher.Jones@oxy.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 1/9/14	Phone: (575) 628-4121		

* Attach Additional Sheets If Necessary