

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

HOBBS OCD

OCT 23 2014

RECEIVED

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 | CJ Summers |
| Address | 1017 W. Stanolind Rd, Hobbs, NM | Telephone No. | (575) 397-8216 |
| Facility Name | Prize 27 Federal #2 | Facility Type | Battery |

| | | | | | |
|---------------|-----|---------------|--|---------|--------------|
| Surface Owner | BLM | Mineral Owner | | API No. | 30-025-31902 |
|---------------|-----|---------------|--|---------|--------------|

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| P | 27 | 22S | 32E | 660' | South | 660' | East | Lea |

Latitude N 32.35709° Longitude W 103.65617°

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|--|----------------------------|---------|
| Type of Release | Produced water | Volume of Release | 70 bbls | Volume Recovered | 60 bbls |
| Source of Release | loss of power to transfer pump caused a tank to over spill | Date and Hour of Occurrence | 04/1/2013 | 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? | Jennifer Van Curen-BLM, Jim Amos-BLM and Geoffrey Leking-OCD | | |
| By Whom? | Chancey Summers | Date and Hour | 04/2/2013 @ 10:02 am | | |
| 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.*

Loss of power to transfer pump caused a tank to over spill 70 bbls of produced water to leak onto the ground. 60 bbls of produced water were recovered via vacuum truck and power was restored.

Describe Area Affected and Cleanup Action Taken.*

The area affect was appx. 85' by 35'. Loss of power to transfer pump caused a tank to over spill 70 bbls of produced water to leak onto the ground. 60 bbls of produced water were recovered via vacuum truck and power was restored. Remediation will be performed in accordance with an approved plan from 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: | <u>OIL CONSERVATION DIVISION</u> | | |
| Printed Name: Chancey Summers | Approved by District Supervisor: | | |
| Title: HES Specialist | Approval Date: 10-23-14 | Expiration Date: — | |
| E-mail Address: Chancey.Summers@oxy.com | Conditions of Approval: | | Attached <input type="checkbox"/> |
| Date: 4/8/13 | Phone: (575) 397-8216 | 1 RP-3392 | |

* Attach Additional Sheets If Necessary

16696
ATO 1429.63 1864
PTI 1429.63 1964
OCT 27 2014