<u>District I</u> 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 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

JUL 23 2013

RECEIVED

Form C-141 Revised October 10, 2003

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

NMOCD ARTES in 2 Copies to appropriate ict Office in accordance with Rule 116 on back

side of form

Release Notification and Corrective Action

Facility Name : Old Ranch Canyon 7 Federal #1 Surface Owner : Federal Mineral Owner LOCATION OF RELEASE Unit Letter B							OPERA'	FOR		Initia	al Report	\boxtimes	Final Report	
Surface Owner: Federal Mineral Owner Paciality Type: Well	Name of Co	ompany:	Oxy Permiar	LTD (19	2463)		Contact: C	hris Jones						
Surface Owner: Federal Mineral Owner														
Unit Letter Section Township Range 660' North/South Line Feet from the East/West Line County: Eddy Latitude N32,41071 Longitude W - 104,5342 NATURE OF RELEASE	Facility Name : Old Ranch Canyon 7 Federal #1							Facility Type: Well						
Latitude North Section Township Range Section Township Range Section	Surface Ow	mer : Fede												
Latitude North Section Township Range Section Township Range Section					LOC	ATIO	NOFRE	EASE						
Type of Release: Produced Water Type of Release: Production Line Volume of Release: 60 bbls Date and Hour of Occurrence: Date and Hour of Discovery: 3/12/2013	Unit Letter B	1			Feet from the	North	/South Line	Feet from the	1		County: Eddy			
Type of Release: Production Line Date and Hour of Occurrence: 3/12/2013				Latit	ude_N 32.410	71	Longitude	W -104.5342						
Date and Hour of Occurrence: Date and Hour of Discovery: 3/12/2013					NAT	TURE								
Was Immediate Notice Given? Yes No Not Required														
By Whom: Nick Borovsky 575-200-7291 Was a Watercourse Reached? Yes No Describe Cause of Problem and Remedial Action Taken.* A 6-inch steel flow line was found to be leaking due to corrosion causing a release of 60 barrels of produced water. A vac truck was immediately called to the location and recovered 25 barrels. The flow line was isolated, drained of all fluids, replaced and returned to service. The spill area measures approximately 300-feet long by 20 to 3 feet wide in areas. Describe Area Affected and Cleanup Action Taken.* Talon/LPE was contracted for the correction of this release. The impacted area from sample location 8-1 and S-3 of this release was excavated to a depth of 1-foot deep. The impacted soil was transported to Lea Land, LLC, an approved NMOCD disposal facility. Analytical testing was completed and following NMOCD approval of the confirming sample, the excavation was backfilled to grade using new material. The area was contoured to match the surrounding location and seeded on 71/12013 using BLM seed mix Falcon Rocky. Thereby 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 that or ground water, surface water, human health or the environment. In addition, NMOCP 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 equilations. Approval Date: Signature: Approval Date: Surface Specialist Approval Date: Surface Specialist Approval Date: Surface Specialist Approval Date: Surface Specialist Approval Date: Surface S								12/2013			l Hour of Discovery: 3/12/2013			
Was a Watercourse Reached? Yes No If YES, Volume Impacting the Watercourse. If YES, Volume Impacting the Watercourse. If YES, Volume Impacting the Watercourse. If YES, Volume Impacting the Watercourse. If YES, Volume Impacting the Watercourse. If YES, Yolume Impacting the Watercourse. If Yes Volume Impact Yes Volume Impact Yes Volume Information of Yes Volume Impact Yes Volume Information of Yes Volume Impact Yes Volume Information of Yes Volume Inform														
Describe Cause of Problem and Remedial Action Taken.* A 6-inch steel flow line was found to be leaking due to corrosion causing a release of 60 barrels of produced water. A vac truck was immediately called to the location and recovered 25 barrels. The flow line was isolated, drained of all fluids, replaced and returned to service. The spill area measures approximately 300-feel long by 20 to 3 feet wide in areas. Describe Area Affected and Cleanup Action Taken.* Talon/LPE was contracted for the correction of this release. The impacted area from sample location S-1 and S-3 of this release was excavated to a depth of 1-foot deep. The impacted soil was transported to Lea Land, LLC, an approved NMOCD disposal facility. Analytical testing was completed and following NMOCD approval of the confirmation sample, the excavation was backfilled to grade using new material. The area was contoured to match the surrounding location and seeded on 71/2013 using BLM seed mix Falcon Rocky. 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 assurptions 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 Approved by District Supervisor. Approved by District Supervisor. Approval Date: The Attached Date: 7/22013 Phone: 575-628-4121	By Whom: Nick Borovsky 575-200-7291							Date and Hour: 3/12/2013 10:18 am						
Describe Cause of Problem and Remedial Action Taken.* A 6-inch steel flow line was found to be leaking due to corrosion causing a release of 60 barrels of produced water. A vac truck was immediately called to the location and recovered 25 barrels. The flow line was isolated, drained of all fluids, replaced and returned to service. The spill area measures approximately 300-feet long by 20 to 3 feet wide in areas. Describe Area Affected and Cleanup Action Taken.* Talon/LPE was contracted for the correction of this release. The impacted area from sample location S-1 and S-3 of this release was execavated to a depth of 1-foot deep. The impacted soil was transported to Lea Land, LLC, an approved NMOCD disposal facility. Analytical testing was completed and following NMOCD approval of the confirmation sample, the excavation was backfilled to grade using new material. The area was contoured to match the surrounding location and seeded on 7/1/2013 using BLM seed mix Falcon Rocky. 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 figulations. Approval Date: OIL CONSERVATION DIVISION Attached Conditions of Approval: Approval Date: 7/22013 Phone: 575-628-4121								If YES, Volume Impacting the Watercourse.						
Approved by District Supervisor: Printed Name: Chris Jones Approved by District Supervisor: Approval Date: 5/6/15 Expiration Date: 1/14 E-mail Address: Christopher Jones@oxy.com Conditions of Approval: Attached Date: 7/22013 Phone: 575-628-4121	of produced and returned Describe Are location S-1 disposal faci using new m I hereby cert regulations a public health should their or the environment.	water, A va to service. 'a Affected and S-3 of the lity. Analyticaterial. The ify that the all operators in or the envi- operations had ment. In a	c truck was in The spill area and Cleanup A his release was cal testing was area was coninformation g are required to ronment. The lave failed to addition, NMG	mmediately measures a Action Tak as excavate as complete atoured to n iven above to report an acceptance adequately DCD accept	called to the lo pproximately 30 cm.* Talon/LP d to a depth of 1 d and following match the surrou- is true and com- d/or file certain e of a C-141 rep investigate and	cation as 00-feet le E was co-foot de NMOC Inding loo plete to to release releas	nd recovered ong by 20 to 3 contracted for ep. The impa D approval of cation and secthe best of my notifications a sec NMOCD rate contaminat	25 barrels. The flate of the correction of the correction of the confirmation and on 7/1/2013 knowledge and und perform correction that pose a thing the contract of the confirmation of the confirmation of the correction of the confirmation that pose a thing of the correction of the	ow line as. his relea sported sample using B understa ctive act teport* (reat to g	was isolate ase. The into Lea Lan , the excave LM seed m nd that pur tions for rel does not rel round wate	mpacted are d, LLC, an ation was be ix Falcon R suant to NM leases which lieve the ope ar, surface w	of all fl a from approve ackfille locky. MOCD 1 h may e erator o	sample ed NMOCD d to grade rules and endanger of liability uman health	
Printed Name: Chris Jones Approved by District Supervisor: Approval Date: 5/6/15 Expiration Date: W/A E-mail Address: Christopher Jones@oxy.com Conditions of Approval: Attached Date: 7/22013 Phone: 575-628-4121		1						OIL CON	SERV	/ATION	DIVISI	ON		
Title: HES Specialist Approval Date: 5/6/15 Expiration Date: 1/14 E-mail Address: Christopher Jones@oxy.com Conditions of Approval: Attached Date: 7/22013 Phone: 575-628-4121								Approved by District Supervisor:						
E-mail Address: Christopher Jones@oxy.com Conditions of Approval: Attached Date: 7/22013 Phone: 575-628-4121	Printed Nam	e: Chris Jo	nes				Approved by	District Supervis	17	W	1	<u> </u>		
Date: 7/22013 Phone: 575-628-4121	Title: HES	Specialist					Approval Da	ite: 5/4/19		Expiration	Date: 1	1/1		
							Conditions of	f Approval:	Fil	rul	Attache	d 🗀		
						<u> </u>			1 11		$\neg \circ$	0	100	