Closure Report

1

OCT 1 0 2013

NMOCD ARTESIA

	Site Description	
Site Name:	Pure Gold B Federal #20	2RP-1461
Company:	Oxy Permian Ltd.	
Legal Description:	U/L P, Section 20, T23S, R31E	
County:	Eddy County, NM	
GPS Coordinates:	N 32.28597° W 103.7916°	

	Release Data	
Date of Release:	12/07/2012	
Type of Release:	Produced Water	
Source of Release:	2" Y strainer with ¼" hole around	
Volume of Release:	20 bbls	
Volume Recovered:	0 bbls	

Remediation Specifications					
Remediation Parameters:	Excavate across the entire leak site to a depth of 6 inches. Obtain confirmation samples of the bottom and sidewalls. Then, the site will be backfilled with clean soil.				
Remediation Activities:	09/16/2013 to 0	9/24/2013			
Plan Sent to OCD: OCD Approval of Plan:	01/22/2013 01/25/2013	Email from Cliff Brunson to Mike Bratcher Email from Mike Bratcher to Cliff Brunson			
Plan Sent to BLM:	12/07/2012	Email from Cliff Brunson to Amos, VanCuren			
BLM Approval of Plan:	12/13/2012	Email from J. VanCuren to Cliff Brunson			

	Supporting Documentation	
Initial C-141	Signed 12/18/2012	-
Final C-141	Signed 10/08/2013	
Site Diagram	December 2012	
Groundwater Plot	150'-175'	
TOPO Maps	December 2012	
Lab Summary	12/20/12-12/21/12	
Lab Analysis	12/20/12-12/21/12	
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.

10/08/2013

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe. NM 87505 Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

1220 S. St. Fran	ets Dr., Santa	i Fe, INIVI 87502	,	Sa	inta F	e, NM 875	05		side of form		
			Relo	ease Notific	catio	n and Co	orrective A	ction			
						OPERA '	ГOR		nitial Report 🔲 Final Repo		
Name of Co		Oxy Permia					CJ Summers				
		tanolind Rd,		<u>MM</u>		Telephone I		-8216			
Facility Nar	ne Pure	Gold B Fede	ral #20			Facility Typ	e Gathering				
Surface Ow	ner BLN	M		Mineral C)wner			Leas	e No. NM-38463		
				LOCA	TIO	N OF RE	LEASE				
Unit Letter	Section	Township	Range	Feet from the		/South Line	Feet from the	East/West Lir	e County		
Р	20	23\$	31E	1260		South	250'	East	Eddy		
	*****************	L., 10		Latitude <u>N 32.3</u>	28597°	<u>Longit</u>	ude <u>W 103.791</u> 0	<u>5°</u>			
				NAT	URE	OF REL	EASE				
Type of Relea	ase Produ	ced Water				Volume of	Release 20 bbl	ls Volun	ne Recovered 0 bbls		
Source of Re	lease 2" Y	Strainer with	n ¼" hole	around		1	lour of Occurrenc @ 8:00 am	e Date a	nd Hour of Discovery		
Was Immedia	ate Notice C					If YES, To	Whom?	I	······································		
		\boxtimes	Yes L	No 🗌 Not Re	equired	Mike Brate	cher- OCD: James	Amos- BLM			
By Whom?				······································			Date and Hour 12/7/2012 @ 2:10 pm				
Was a Water	course Reac		Yes 🗵] No		If YES, Volume Impacting the Watercourse.					
If a Watercou	irse was Im	pacted. Descr	ibe Fully.	*			·		RECEIVED		
									OCT 1 0 2013		
Describe Cau	se of Proble	em and Reme	dial Actio	n Taken.*			· · · · · · · · · · · · · · · · · · ·		NMOCD ARTESIA		
A 2" Y Strair	ner with ¼"	hole around c	aused 20	bbls of produced	water to	o leak onto the	ground. The sou	rce of the leak v	was repaired.		
Describe Are	a Affected a	ind Cleanup A	Action Tak	ten.*							
The area affe	cted is appr	oximately 200)' x 20'. I	Remediation will	be perf	ormed in acco	dance with an OC	CD and BLM ap	proved remediation plan.		
I hereby certi	fy that the i	nformation gi	ven above	is true and comp	lete to	the best of my	knowledge and u	nderstand that p	ursuant to NMOCD rules and releases which may endanger		
									relieve the operator of liability		
should their o	perations h	ave failed to a	ndequately	investigate and r	emedia	te contaminati	on that pose a thre	at to ground wa	ater, surface water, human health		
				tance of a C-141	report of	loes not reliev	e the operator of i	responsibility fo	r compliance with any other		
federal, state,	or local lav	vs and/or regu	nations.		T			CEDVATIO	NEDIVISION		
							<u>OIL CON</u>	SERVATIO	N DIVISION		
Signature:	\leq		\geq								
Printed Name: Chancey Summers				Approved by	District Supervise	or:					
Title: HES	Specialist					Approval Dat	e:	Expiration	on Date:		
E-mail Addre	ss: Chane	cey.Summers	@oxy.con	1		Conditions of	Approval:				
	2.18-			ne: (575) 397-82	16				Attached		
Date.			1-110	10. (373) 397-82	IU						

* Attach Additional Sheets If Necessary

·

Oil Conservation Division 1220 South St. Francis Dr.

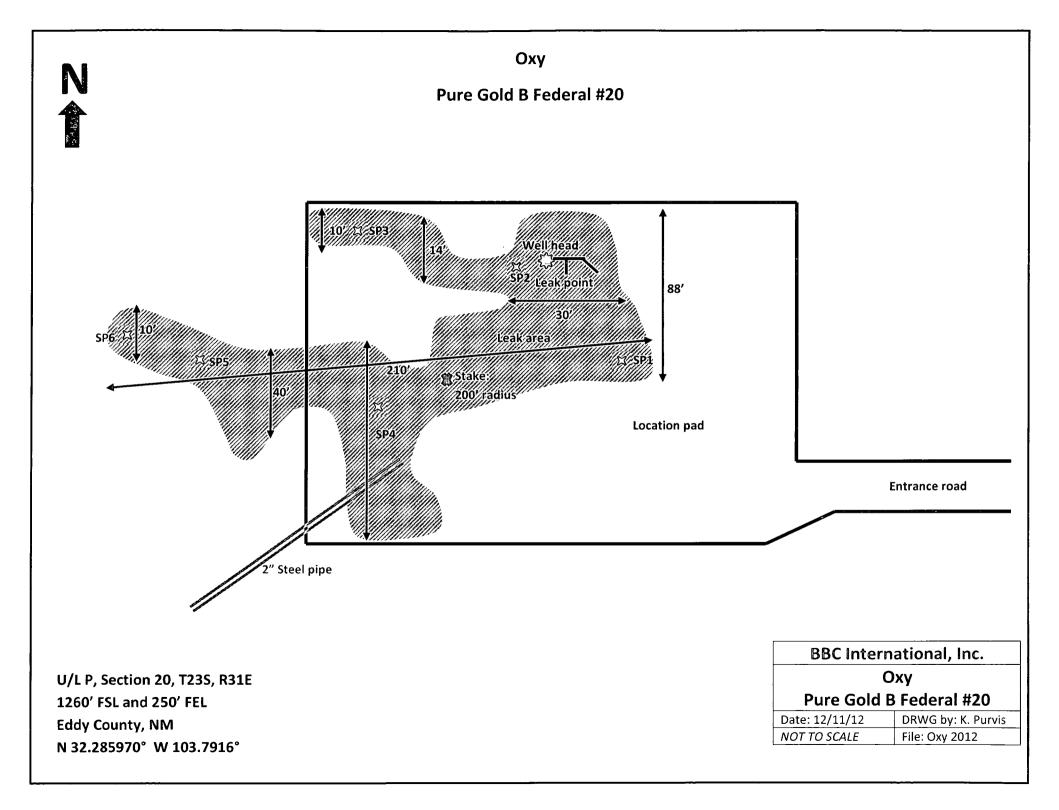
1

1

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

1220 S. St. Fran	ieis Dr., Sant	a Fe, NM 8750:	5	Sa	anta F	⁷ e, NM 875	505			SIG	e or iorm
			Rel	ease Notifi	catio	n and Co	orrective A	ction	3		
						OPERA	FOR	🔲 Ini	tial Report	🛛 Fin	al Repor
Name of Co	mpany	Oxy Permia	n Ltd.			Contact (J Summers				
Address	1017 W. S	tanolind Rd,	Hobbs, l	NM		Telephone 1	No. (575) 397	-8216			
Facility Nar	ne Pure	Gold B Fede	eral #20			Facility Typ	e Gathering				
Surface Ow	ner BLN			Mineral C	Dwner			Lease	No. NM-38	463	
						N OF RE	FASE				
Unit Letter	Section	Township	Range	Feet from the		n/South Line	Feet from the	East/West Line	County		
P	20	235	31E	1260'		South	250'	East	Eddy		
L	20		./		28507		ude <u>W 103.7916</u>	I	Ludy		<u> </u>
				Latitude <u>N 32.</u>		-		<u>)</u>			
Turn of Date	Dea Dead	and Water		NAT	URE	Volume of			Recovered	0 bbls	
Type of Rele Source of Re			h 1/" h al-	around			Iour of Occurrenc				
Source of Re	rease 2 1	Strainer with	n 74 note	around		12/7/2012		Date an	d Hour of Dis	covery	
Was Immedia	ate Notice (If YES, To					
		\boxtimes	Yes [No 🗌 Not R	equired	I Mike Brate	cher- OCD; James	s Amos- BLM			
By Whom?						Date and F		@ 2:10 pm			
Was a Water	course Read		V 157	1		If YES, Vo	olume Impacting t	he Watercourse.			
			Yes 🛛	·					FAE	A P press proces	-7
If a Watercou	irse was Im	pacted, Descr	ibe Fully.'	*) [ECEI	VED	1
									OCT 10	2013	1
										2013	
Describe Cau	se of Proble	em and Reme	dial Actio	n Taken *				- NA	IOCD AI	RTESIA	/ \ k
									يبر علمين الماريخ مشكلة الأل		
A 2" Y Strair	her with '4"	hole around c	caused 20	bbls of produced	water t	o leak onto the	ground. The sou	rce of the leak w	as repaired.		
Describe Are	a Affected a	and Cleanup A	Action Tak	ten.*							
The area affe	cted is annr	ovimately 20()' v 20' ∣	Remediation was	comple	ted in accorda	nce with the reme	distion plan app	oved by Mikr	Bratcher of	f
				verbally by the l			nee with the teme	diation plan appi	oved by wirke	. Dratener of	L .
	C			•••••	1	.1 1		1 1.1 .			
							knowledge and und perform correct				
public health	or the envir	onment./The	acceptanc	e of a C-141 repo	ort by th	ie NMOCD m	arked as "Final R	eport" does not r	lieve the ope	rator of liab	ility
should their c	perations h	ave failed to a	dequately	investigate and r	emedia	te contaminati	on that pose a thre	eat to ground wat	er, surface wa	ater, human	health
or the enviror	iment. In a	ddition, NMC)CD accep	tance of a C-141	report	does not reliev	e the operator of i	esponsibility for	compliance v	vith any oth	er
federal, state,	or local lay	vs and/or regu	itations.			·		CEDVATION			
	/ /	1 _	\sum	-	ĺ		UIL CON	SERVATION	N DIVISIC	JIN	
Signature:	\square		/								
Printed Name	: Chance	y Summers			5	Approved by	District Supervise	or:			
	Specialist			· · · · · · · · · · · · · · · · · · ·		Annauel D	o'	Eveline:-	Data		
Title: HES	specialise	·····				Approval Dat	<u>c.</u>	Expiratio			<u> </u>
E-mail Addre	ss: Chan	cey.Summers	@oxy.com	1		Conditions of	Approval:		Attached	Π	
Date: //	0/8/13		Pho	ne: (575) 397-82	16						

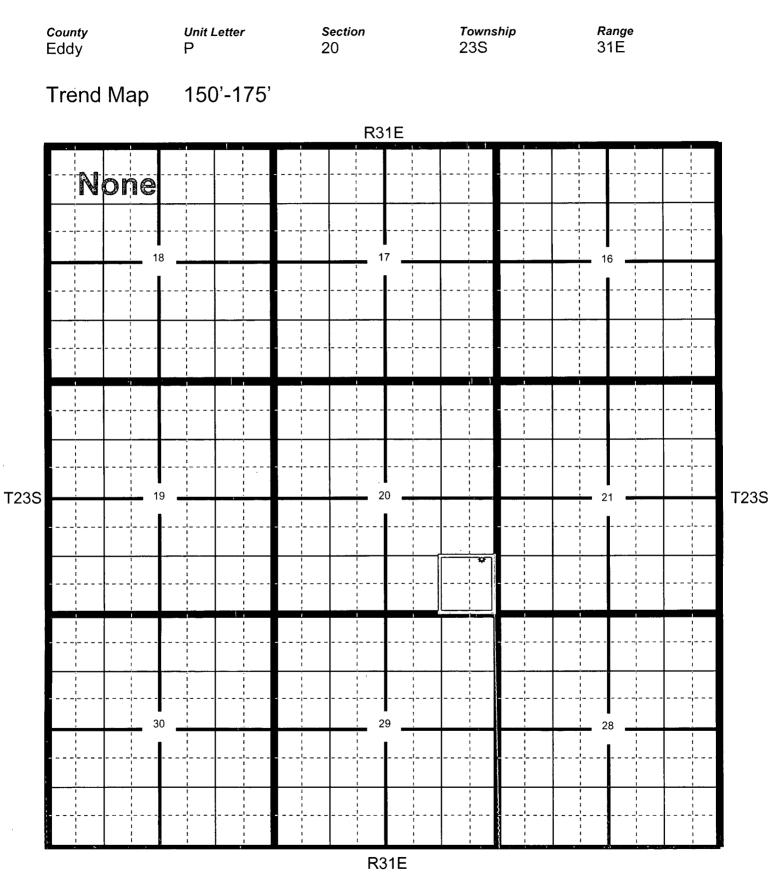
* Attach Additional Sheets If Necessary





Groundwater Plot

OXY Pure Gold B Federal #20

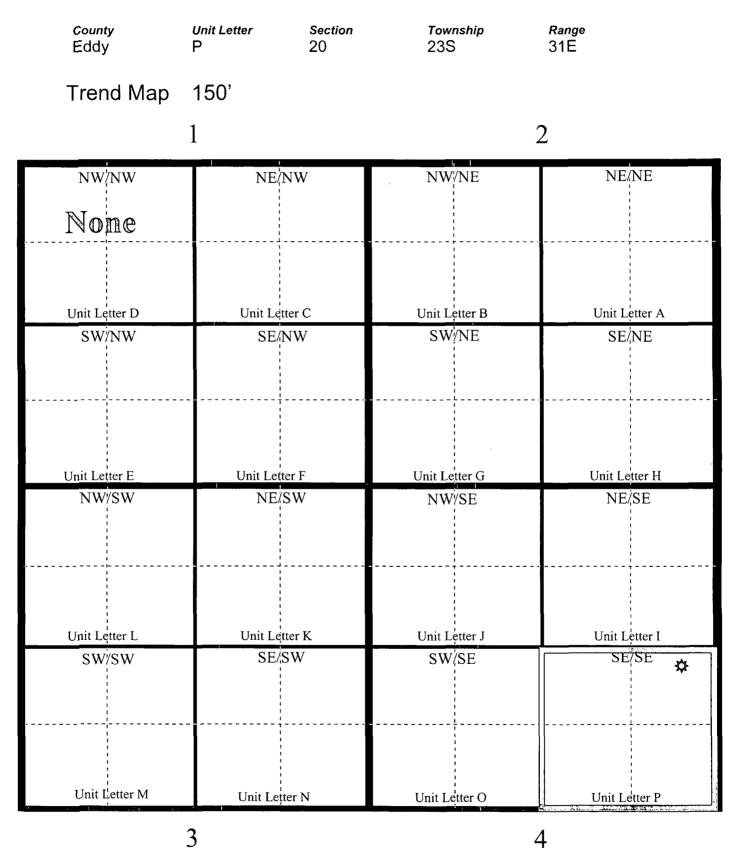


Location



Section Quarters

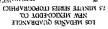
Oxy Pure Gold B Federal #20



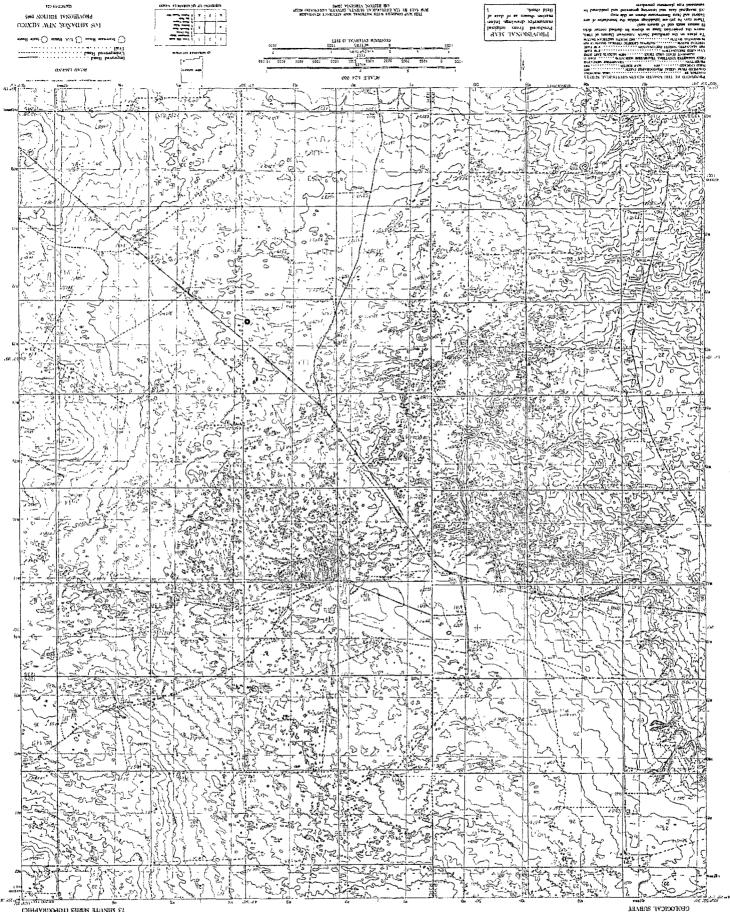
Contine Location



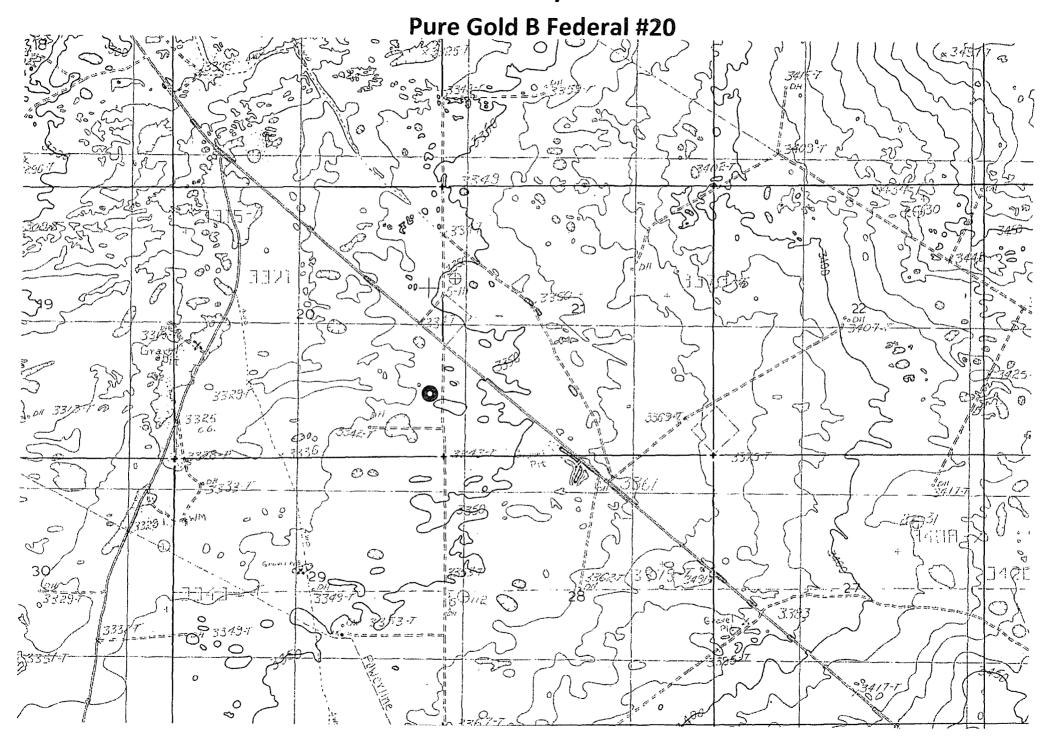
Pure Gold B Federal #20



CEOFOCICYF SCIALER DEDVBLYEAL OF THE INTERIOR UNITED STATES



Oxy



Laboratory Analytical Results Summary Pure Gold B Federal #20

.

		Sample	SP1 @ 1'	SP1 @ 3'	SP1 @ 5'
Analyte	Method	Date	12/20/12	12/20/12	12/20/12
			mg/Kg	mg/Kg	mg/Kg
Benzene	BTEX 8021B		< 0.050	N/A	N/A
Toluene	BTEX 8021B		<0.050	N/A	N/A
Ethylbenzene	BTEX 8021B		< 0.050	N/A	N/A
Total Xylenes	BTEX 8021B		<0.150	N/A	N/A
Total BTEX	BTEX 8021B		< 0.300	N/A	N/A
Chloride	SM4500CI-B		240	544	240
GRO	TPH 8015M		<10.0	N/A	N/A
DRO	TPH 8015M		<10.0	N/A	N/A

		Sample	SP2 @ 1'	SP2 @ 3'	SP2 @ 4'
Analyte	Method	Date	12/20/12	12/20/12	12/20/12
			mg/Kg	mg/Kg	mg/Kg
Chloride	SM4500CI-B		288	384	240

		Sample	SP3 @ 1'	SP3 @ 2'
Analyte	Method	Date	12/20/12	12/20/12
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		< 0.050	N/A
Toluene	BTEX 8021B		< 0.050	N/A
Ethylbenzene	BTEX 8021B		< 0.050	N/A
Total Xylenes	BTEX 8021B		< 0.150	N/A
Total BTEX	BTEX 8021B		< 0.300	N/A
Chloride	SM4500CI-B		128	96
GRO	TPH 8015M		<10.0	N/A
DRO	TPH 8015M		<10.0	N/A

		Sample	SP4 @ 1'	SP4 @ 2'
Analyte	Method	Date	12/20/12	12/20/12
			mg/Kg	mg/Kg
Chloride	SM4500CI-B		32	48

		Sample	SP5 @ 1'	SP5 @ 2'
Analyte	Method	Date	12/21/12	12/21/12
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		< 0.050	N/A
Toluene	BTEX 8021B		< 0.050	N/A
Ethylbenzene	BTEX 8021B		< 0.050	N/A
Total Xylenes	BTEX 8021B		<0.150	N/A
Total BTEX	BTEX 8021B		< 0.300	N/A
Chloride	SM4500CI-B		64	80
GRO	TPH 8015M		<10.0	N/A
DRO	TPH 8015M		<10.0	N/A

		Sample	SP6 @ 1'	SP6 @ 2'
Analyte	Method	Date	12/21/12	12/21/12
			mg/Kg	mg/Kg
Chloride	SM4500CI-B		64	48



December 31, 2012

Cliff Brunson BBC International, Inc. P.O. Box 805 Hobbs, NM 88241

RE: PURE GOLD B FEDERAL #20

Enclosed are the results of analyses for samples received by the laboratory on 12/26/12 16:55.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. 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 accredited certif.html.

Cardinal Laboratories is accreditated 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. Keine

Celey D. Keene Lab Director/Quality Manager



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

Received:	12/26/2012	Sampling Date:	12/20/2012
Reported:	12/31/2012	Sampling Type:	Soil
Project Name:	PURE GOLD B FEDERAL #20	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

Sample ID: SP 1 @ 1' (H203089-01)

BTEX 8021B	mg,	/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	12/29/2012	ND	1.84	92.2	2.00	14.1	
Toluene*	<0.050	0.050	12/29/2012	ND	1.96	97.8	2.00	14.9	
Ethylbenzene*	<0.050	0.050	12/29/2012	ND	1.87	93.7	2.00	15.9	
Total Xylenes*	<0.150	0.150	12/29/2012	ND	5.67	94.4	6.00	16.2	
Total BTEX	<0.300	0.300	12/29/2012	ND					

Surrogate: 4-Bromofluorobenzene (PIL 117 % 89.4-126

Chloride, SM4500CI-B	mg,	/kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	240	16.0	12/31/2012	ND	432	108	400	7.69	
TPH 8015M	mg,	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	12/28/2012	ND	196	98.0	200	3.22	
DRO >C10-C28	<10.0	10.0	12/28/2012	ND	203	101	200	2.50	
Surrogate: 1-Chlorooctane	82.5	% 65.2-14	0						
Surrogate: 1-Chlorooctadecane	94.7	% 63.6-15	4						

Sample ID: SP 1 @ 3' (H203089-02)

Chloride, SM4500CI-B mg/kg		Analyzed By: AP							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	544	16.0	12/31/2012	ND	432	108	400	7.69	

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whitspever shall be deemed waved unless made in writing and received by client, its subsidiaries, affiliates or completion of the applicable service. In no event shall Cardinal be liable for incidential or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claims based on any of the above stated reasons or otherwse. Results relate only to the samples identified above. This reproduced except in full with written approval of Cardinal Laboratores.

Celey D. Kune

Celey D. Keene, Lab Director/Quality Manager



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

Received:	12/26/2012	Sampling Date:	12/20/2012
Reported:	12/31/2012	Sampling Type:	Soil
Project Name:	PURE GOLD B FEDERAL #20	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

Sample ID: SP 1 @ 5' (H203089-03)

Chloride, SM4500Cl-B mg/kg		Analyze	d By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	240	16.0	12/31/2012	ND	432	108	400	7.69	

Sample ID: SP 2 @ 1' (H203089-04)

Chloride, SM4500Cl-B mg/kg			Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	288	16.0	12/31/2012	ND	432	108	400	7.69	

Sample ID: SP 2 @ 3' (H203089-05)

Chloride, SM4500Cl-B mg/kg		Analyze	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	384	16.0	12/31/2012	ND	432	108	400	7.69	

Sample ID: SP 2 @ 4' (H203089-06)

Chloride, SM4500CI-B			Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	240	16.0	12/31/2012	ND	432	108	400	7.69	

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed walved unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwse. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Keene

Celey D. Keene, Lab Director/Quality Manager



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

Received:	12/26/2012	Sampling Date:	12/20/2012
Reported:	12/31/2012	Sampling Type:	Soil
Project Name:	PURE GOLD B FEDERAL #20	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

Sample ID: SP 3 @ 1' (H203089-07)

BTEX 8021B	mg/	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	12/29/2012	ND	1.84	92.2	2.00	14.1	
Toluene*	<0.050	0.050	12/29/2012	ND	1.96	97.8	2.00	14.9	
Ethylbenzene*	<0.050	0.050	12/29/2012	ND	1.87	93.7	2.00	15.9	
Total Xylenes*	<0.150	0.150	12/29/2012	ND	5.67	94.4	6.00	16.2	
Total BTEX	<0.300	0.300	12/29/2012	ND					
Surrogate: 4-Bromofluorobenzene (PIL	117 9	6 89.4-12	б						
Chloride, SM4500Cl-B	mg/	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	128	16.0	12/31/2012	ND	432	108	400	7.69	
TPH 8015M	mg/	kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	12/28/2012	ND	196	98.0	200	3.22	
DRO >C10-C28	<10.0	10.0	12/28/2012	ND	203	101	200	2.50	
Surrogate: 1-Chlorooctane	85.8	65.2-14	0						
Surrogate: 1-Chlorooctadecane	94.0	63.6-15							

Sample ID: SP 3 @ 2' (H203089-08)

Chloride, SM4500Cl-8	mg,	/kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	96.0	16.0	12/31/2012	ND	432	108	400	7.69	

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed vaived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors ansing out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratones.

Celey D. Keine

Celey D. Keene, Lab Director/Quality Manager



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

Received:	12/26/2012	Sampling Date:	12/20/2012
Reported:	12/31/2012	Sampling Type:	Soil
Project Name:	PURE GOLD B FEDERAL #20	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

Sample ID: SP 4 @ 1' (H203089-09)

Chloride, SM4500Cl-B	mg,	/kg	Analyze	d By: AP					<u> </u>
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	12/31/2012	ND	432	108	400	7.69	

Sample ID: SP 4 @ 2' (H203089-10)

Chloride, SM4500Cl-B	mg,	/kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	48.0	16.0	12/31/2012	ND	432	108	400	7.69	

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and clent's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out or or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This reports thall not be reported ted except in full with written approval of Cardinal Laboratories.

Celey D. Keene

Celey D. Keene, Lab Director/Quality Manager



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

Received:	12/26/2012	Sampling Date:	12/21/2012
Reported:	12/31/2012	Sampling Type:	Soil
Project Name:	PURE GOLD B FEDERAL #20	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

Sample ID: SP 5 @ 1' (H203089-11)

BTEX 8021B	mg/	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	12/29/2012	ND	1.84	92.2	2.00	14.1	
Toluene*	<0.050	0.050	12/29/2012	ND	1.96	97.8	2.00	14.9	
Ethylbenzene*	<0.050	0.050	12/29/2012	ND	1.87	93.7	2.00	15.9	
Total Xylenes*	<0.150	0.150	12/29/2012	ND	5.67	94.4	6.00	16.2	
Total BTEX	<0.300	0.300	12/29/2012	ND					
Surrogate: 4-Bromofluorobenzene (PIL	1179	6 89.4-12	6						
Chloride, SM4500Cl-B	mg/	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	64.0	16.0	12/31/2012	ND	432	108	400	7.69	
TPH 8015M	mg/	kg	Analyze	d By: MS	<u></u>				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	12/29/2012	ND	188	94.0	200	10.0	
DRO >C10-C28	<10.0	10.0	12/29/2012	ND	198	99.0	200	13.6	
Surrogate: 1-Chlorooctane	83.19	65.2-14	0						
Surrogate: 1-Chlorooctadecane	90.3 9	6 63.6-15	4						

Sample ID: SP 5 @ 2' (H203089-12)

Chloride, SM4500Cl-B	mg/	/kg	Analyze	d By: AP					***
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	80.0	16.0	12/31/2012	ND	432	108	400	7.69	

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Carcinal's liability and client's exclusive remedy for any claim ansing, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Keine

Celey D. Keene, Lab Director/Quality Manager



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

Received:	12/26/2012	Sampling Date:	12/21/2012
Reported:	12/31/2012	Sampling Type:	Soil
Project Name:	PURE GOLD B FEDERAL #20	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

Sample ID: SP 6 @ 1' (H203089-13)

Chloride, SM4500Cl-B	mg	/kg	Analyze	d By: AP					<u> </u>
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	64.0	16.0	12/31/2012	ND	432	108	400	7.69	

Sample ID: SP 6 @ 2' (H203089-14)

Chloride, SM4500CI-B	mg	/kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	48.0	16.0	12/31/2012	ND	432	108	400	7.69	

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whiteoever shall be deemed waived unless made in writing and received by claims, including those for negligence and including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claims based by one any of the above stated reasons or otherwse. Results relate only to the samples identified above. This reproduced exception influid written approval of cardinal Laborations.

Celey D. Keine

Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

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

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsbeever shall be deemed waved unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwse. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celeg D. Keine

Celey D. Keene, Lab Director/Quality Manager

Page 8 of 10



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

ARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

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

Company Name	BBC International, Inc.							7.944	BI	<u>LL 70</u>					 ANA	YSIS	S RE	QUE	ST			
	r: Cliff Brunson							D. #:														
Address: P.O	Box 805						Co	mpa	ny:													
City: Hobbs	State: NM	Zip	88	8241			Att	: <u>n:</u>														
Phone #: 575-	397-6388 Fax #: 575	-397	7-03	97			Ad	dres	s:													
Project #:	Project Owner	r: O>	(y				Cit	<u>y:</u>														
Project Name:	Pure Gold B Federal #20						Sta	ite:		Zip:												
Project Locatio	n: Eddy County, NM					_	Ph	one	¥::													
Sampler Name:							Fa	x #:								'						
FOR LAB USE ONLY					MATE	RIX .	,	PRE	SERV	SAMPL]	}]				
Lab I.D.	Sample I.D.	(G)RAB OR (C)OMF	# CONTAINERS	UCCUNDWATER WASTEWATER	Solt.	SLUDGE	OTHER :	ACID/BASE:	ICE / CUOL OTHER :	DATE	TIME	CI	BTEX	HUL								
1	SP1 @ 1'	G	Τ						1	12/20/12	· · · · · · · · · · · · · · · · · · ·	1	1	1								
2	SP1 @ 3'	G							/_	12/20/12	10:25AM	\checkmark			 ·							
~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	SP1 @ 5'	6	<u> </u>	.	1				4.		11:15AM	<ul> <li>✓</li> </ul>			 							
<u> </u>	SP2 @ 1'	6	. ( .		4				1_		11:35AM	<b>√</b>			 			ļ				
5	SP2 @ 3'	6	1					<b> </b> ·	1_	12/20/12		<b>_</b> ∕			 		·	L				
<u>(c</u>	SP2 @ 4'	6	<u>]</u>		14	_  _		;	Z	12/20/12		<u> </u>			 							<u></u> .
L 114	SP3 @ 1'	6	1	_	14				4	12/20/12		$\checkmark$	<b>√</b>	<ul> <li>✓</li> </ul>	 		·					
	SP3 @ 2'	6	1		4			· ·	1_	12/20/12		<u>.</u>			 							
9	SP4 @ 1'	6			1				~	12/20/12		✓										
10	SP4 @ 2'	IG.	1			1			1	12/20/12	3:24PM	✓										

PLEASE NOTE: Lianitity and Damages. Curuinar's liability and client's exclusive remetly for any claim arising whother based in contract or but, shall be limited to the amount paid by the client for the analyses. All claims including these for negligence and any other cause whatsever shall be deemed waived unless made in writing and received by Carrival within 30 days after completion of the applicance service. In no event shall Cardinal be liable for incidencial or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries,

	attikates or successors ansing out of or related to the performance of	if services herelinder by C	ardinal, requidless of whether such claim is b	ased upon any of the above staten re	usons or otherwise.		 	 	
	Relinguished By:	Date A J J M	Received By:		Phone Result:	□ Yes	Add'l Phone #:		
	and the state of the	00000000	Asta II		Fax Result:	□ Yes	Add'I Fax #:	 	
	June ( Standard Sta	Time:	IM MI MO	MAAMA	REMARKS:				
	and the second of the second s	4000	LABARIA CAR	y wells -					
	Relinquished By:	Date:	Received By:						
	and the second of the second s		9						
(	and a second sec	Time:							
. معر	and the second state of th	L	I						
	Delivered By: (Circle One)		Sample Condition	$\cdot \cdot $					
			Cool Intact	(Initials)-	1				
	Sampler - UPS - Bus - Other:			6-4/74					
	1			1 1 4	I		 	 	

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

Page 9 of 10



### CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

ARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 (505) 393-2326 FAX (505) 393-2476

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	Address:
Project #: Project Owner: ^O xy	City:
Project Name: Pure Gold B Federal #20	State: Zip:
Project Location: Eddy County, NM	Phone #:
Sampler Name: Gary Ray	Fax #:
FOR LAB USE CALLY Lab I.D. Sample I.D. HZ03030	PRESERV. SAMPLING PRESERV. SAMPLING HCL HCL HCL HCL HCL HCL HCL HCL
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$

PLEASE NOTE: Lightly and Durages. Cardinal's lubbly and clent's exclusive remety for any claim arising whether based in contract or ratt, shall be instead to the amount pain by the client for the analyses. All chains, including those for negtgence and any other cause whatsnever shall be exempt waved unless made in within pain received by Cardinal within 30 arises are cardinal water cause whatsnever shall be exempt waved unless made in within pain received by Cardinal within 30 arises are cardinal water cause whatsnever shall be exempt waved unless made in within pain received by Cardinal within 30 arises are cardinal water are cardinal water c

service. In nu event shall Carbinol be fiable for incidental or consequential damages, including without lumitation, business interruptions, loss of use, or loss of crofits inclured by theni, 43 subsititaries, affiables to successors are not at the active protocol of the active presented by the active protocol of the ac

annales of successors ansing out of or related to the periormance	of services determiner by obtainer, receives of whether such all to based coor any of the above signed .	easers of bolerange,	
Relinguished By:	Date:     Received By:       Date:     Received By:       Time:     Image: Control of the control	Phone Result:	
Delivered By: (Circle One) Sampler - UPS - Bus - Other:	Sample Condition CHECKED BY: Cool -Intact. / (Initials) • D Yes D Yes D No No		

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

#74

### **Kathy Purvis**

From:	Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us></mike.bratcher@state.nm.us>
Sent:	Friday, January 25, 2013 11:23 AM
То:	Cliff P. Brunson
Cc:	C J Summers; Ken Swinney; Jennifer Gilkey; Kathy Purvis
Subject:	RE: Oxy-Pure Gold B Federal #20-Remediation Plan

Reference: OXY USA * Pure Gold B Fed 20 * 30-015-30605 * P-20-23s-31e * Eddy County, New Mexico NMOCD Reference Number: 2RP-1491 * Date of release: 12/7/12

Cliff,

Your proposal for remediation of the above reference release is approved. The site is situated on Federal surface and may require like approval by BLM.

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

If you have any questions or concerns, please contact me.

Mike Bratcher NMOCD District 2 811 S. First Street Artesia, NM 88210 O: 575-748-1283 X108 C: 575-626-0857 F: 575-748-9720

From: Cliff P. Brunson [mailto:cbrunson@bbcinternational.com]
Sent: Tuesday, January 22, 2013 8:36 AM
To: Bratcher, Mike, EMNRD
Cc: C J Summers; Ken Swinney; Jennifer Gilkey; Kathy Purvis
Subject: Oxy-Pure Gold B Federal #20-Remediation Plan

#### Mike,

This e-mail is to confirm our discussion on January 14, 2013 concerning the remediation plan for the release that occurred at the Oxy Pure Gold B Federal #20. I have attached the site drawing and the summary of the laboratory data we reviewed during our discussion for your files. As agreed, Oxy will excavate 6 inches across the entire leak area at the site. The site will then be backfilled with clean soil. The depth to groundwater is this area is approximately 150-175 feet.

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

Oxy and I thank you for your assistance in handling this matter.

Thanks, Cliff

Confidentiality Notice: This electronic transmission (and any attached documents) is intended only for the person(s) to whom it is addressed and may contain information that is privileged, confidential, or otherwise protected from disclosure. If you have received this transmission in error, please immediately notify the sender by e-mail or by telephone call to (575) 397-6388 for handling instructions. Any disclosure or distribution of the contents of this transmission by anyone other than the named recipient(s) is strictly prohibited.

### **Kathy Purvis**

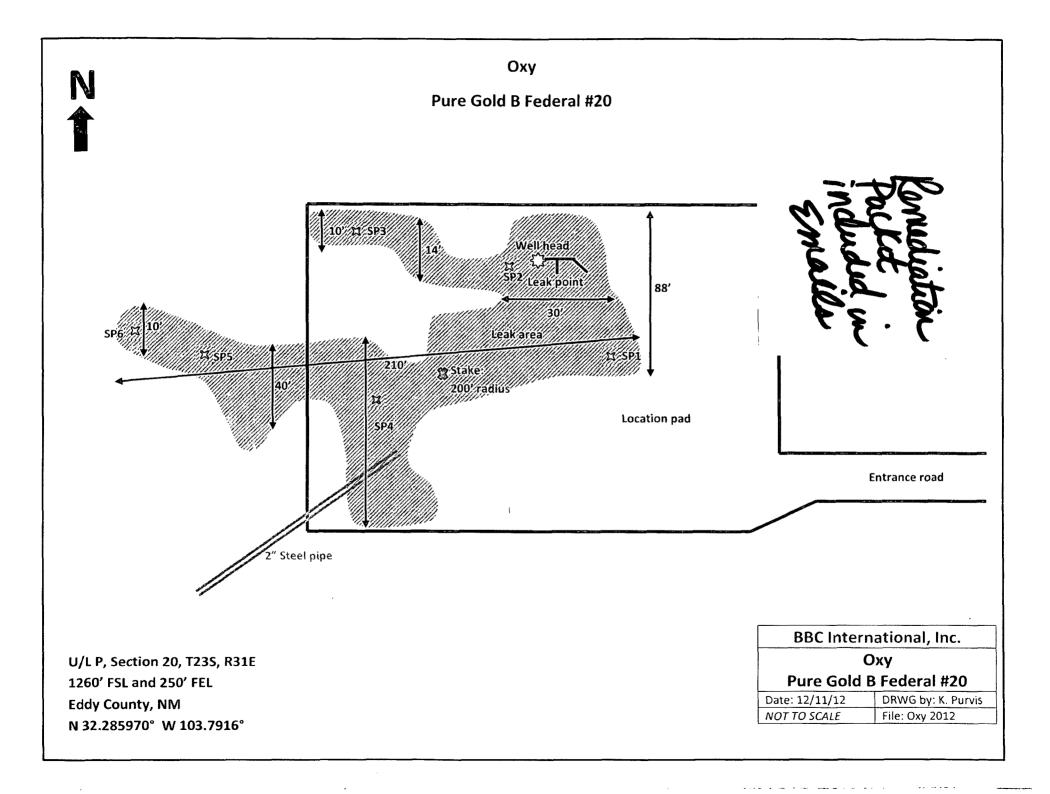
From:	Van Curen, Jennifer <jvancure@blm.gov></jvancure@blm.gov>
Sent:	Thursday, December 13, 2012 9:38 AM
То:	Amos, James; cbrunson@bbcinternational.com; jgilkey@bbcinternational.com;
	kathy@bbcinternational.com; kswinney@bbcinternational.com
Subject:	Re: PURE GOLD B FEDERAL 020

20 bbls PW / OIL LOST DUE TO 2" Y STRAINER WITH .25" HOLE. WILL TAKE SAMPLES AND SUBMIT PLAN FROM BBC.

WENT OUT TO LOOK AT SPILL AREA. SPILL DID NOT STAY ON THE WELL PAD. THERE IS A PORTION THAT LEFT THE WELL PAD TO THE WEST. WELL PAD CAN BE CLEANED UP BY SCRAPING TO DRY CALICHE, BUT THE AREA TO THE WEST WILL NEED TO BE SAMPLED AND REMOVED TO CLEAN SOIL. THIS AREA CAN BE BACK-FILLED WITH CALICHE TO I' OF SURFACE AND THEN FINISHED OFF WITH LOCAL TOPSOIL. DELINEATION SAMPLES TO FIND BOTTOM AND SIDES OF SPILL WILL BE DUE BY 12-21-12. IF YOU HAVE ANY QUESTIONS PLEASE FEEL FREE TO CONTACT ME.

JENNIFER VAN CUREN

On Fri, Dec 7, 2012 at 2:13 PM, Amos, James <<u>jamos@blm.gov</u>> wrote: <u>Mike.Bratcher@state.nm.us</u>, <u>cbrunson@bbcinternational.com</u>, <u>jgilkey@bbcinternational.com</u>, <u>kathy@bbcinternational.com</u>, <u>kswinney@bbcinternational.com</u>



#### Laboratory Analytical Results Summary Pure Gold B Federal #20

		Sample	SP1 @ 1'	SP1 @ 3'	SP1@5
Analyte	Method	Date	12/20/12	12/20/12	12/20/12
			mg/Kg	mg/Kg	mg/Kg
Benzene	BTEX 8021B		<0.050	N/A	N/A
Toluene	BTEX 8021B		<0.050	N/A	N/A
Ethylbenzene	BTEX 8021B		< 0.050	N/A	N/A
Total Xylenes	BTEX 8021B		<0.150	N/A	N/A
Total BTEX	BTEX 8021B		<0.300	N/A	N/A
Chloride	SM4500CI-B		240	544	240
GRO	TPH 8015M		<10.0	N/A	N/A
DRO	TPH 8015M		<10.0	N/A	N/A

		Sample	SP2 @ 1'	SP2 @ 3'	SP2 @ 4'
Analyte	Method	Date	12/20/12	12/20/12	12/20/12
			mg/Kg	mg/Kg	mg/Kg
Chloride	SM4500CI-B		288	384	240

		Sample	SP3 @ 1'	SP3 @ 2'
Analyte	Method	Date	12/20/12	12/20/12
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		< 0.050	N/A
Toluene	BTEX 8021B		<0.050	N/A
Ethylbenzene	BTEX 8021B		<0.050	N/A
Total Xylenes	BTEX 8021B		<0.150	N/A
Total BTEX	BTEX 8021B		<0.300	N/A
Chloride	SM4500CI-B		128	96
GRO	TPH 8015M		<10.0	N/A
DRO	TPH 8015M		<10.0	N/A

		Sample	SP4 @ 1'	SP4 @ 2'
Analyte	Method	Date	12/20/12	12/20/12
			mg/Kg	ing/Kg
Chloride	SM4500CI-B		32	48

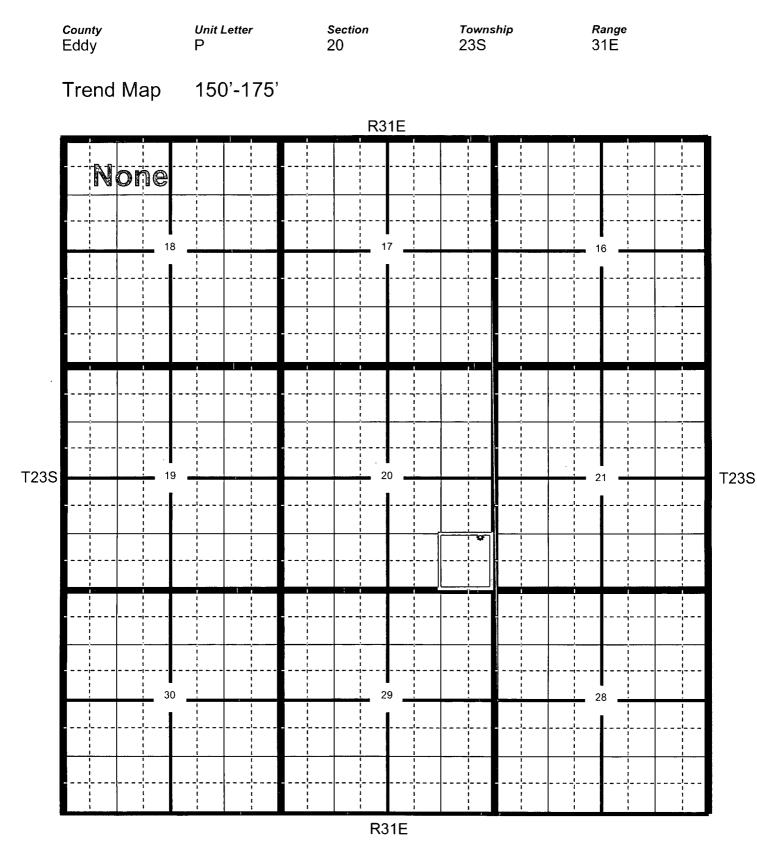
		Sample	SP5 @ 1'	SP5 @ 2'
Analyte	Method	Date	12/21/12	12/21/12
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		<0.050	N/A
Toluene	BTEX 8021B		<0.050	N/A
Ethylbenzene	BTEX 8021B		<0.050	N/A
Total Xylenes	BTEX 8021B		<0.150	N/A
Total BTEX	BTEX 8021B		< 0.300	N/A
Chloride	SM4500CI-B		64	80
GRO	TPH 8015M		<10.0	N/A
DRO	TPH 8015M		<10.0	N/A

		Sample	SP6 @ 1'	SP6 @ 2'
Analyte	Method	Date	12/21/12	12/21/12
			mg/Kg	mg/Kg
Chloride	SM4500CI-B		64	48



**Groundwater Plot** 

## OXY Pure Gold B Federal #20



Location



Section Quarters

# Oxy Pure Gold B Federal #20

County Eddy	Unit Letter P	Section 20	Township 23S	Range 31E
Trend Map	150'			
	1			2
NW/NW	NE/N	IW	NW/NE	NE/NE
None				
Unit Letter D SW/NW	Unit Letto SE/N		Unit Letter B SW/NE	Unit Letter A SE/NE
Unit Letter E	Unit Lette	r F	Unit Letter G	Unit Letter H
NW/SW	NE/S	· · · · · · · · · · · · · · · · · · ·	NW/SE	NE/SE
Unit Letter L	Unit Lette	er K	Unit Letter J	Unit Letter I
SW/SW	SE/S		SW/SE	SE/SE
Unit Letter M	Unit Lette	er N	Unit Letter O	Unit Letter P
	3			4

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe. NM 87505 Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa F						Fe, NM 87505					side of form	
Release Notification and Corrective Action												
						<b>OPERA</b>	FOR	🕅 Initia	🕅 Initial Report 🔲 Fina			
Name of Co	mpany	Oxy Permia	n Ltd.				J Summers	£				
Address 1017 W. Stanolind Rd, Hobbs, NM						Telephone No. (575) 397-8216						
Facility Name Pure Gold B Federal #20						Facility Type Gathering						
Surface Owner BLM Mineral Owner					Dwner	Lease No. NM-38463						
LOCATION OF RELEASE												
Unit Letter	Section	Township	Range	Feet from the		I/South Line Feet from the East/West Line County						
Р	20	235	31E	1260		South	250'	East	Eddy			
Latitude <u>N 32.28597</u> ° Longitude <u>W 103.7916</u> °												
Type of Rele	ase Produ	iced Water			URE	C OF RELEASE Volume of Release 20 bbls Volume Recovered 0 bbls						
		Strainer with	1 ¼" hole	around		Date and Hour of Occurrence Date and Hour						
						12/7/2012 @ 8:00 am						
Was Immediate Notice Given?					eauired	If YES, To Whom? d Mike Bratcher- OCD; James Amos- BLM						
🛛 Yes 🗌 No 🛄 Not Required						WINC DEACHEF- OCD; James Amos- BLM						
By Whom?						Date and Hour 12/7/2012 @ 2:10 pm						
Was a Watercourse Reached?					If YES. Volume Impacting the Watercourse.							
						L		and the second				
If a Watercou	irse was Im	pacted, Descr	ibe runy.	•								
Describe Cau	ise of Probl	em and Reme	dial Action	n Taken.*								
A 2" Y Strait	ner with 1/4"	hole around a	aused 20	bbls of produced	water to	leak onto the	ground. The sou	irce of the leak was	repaired.			
Describe Are	a Affected	and Cleanup A	Action Tak	ten.*								
The area affe	cted is appr	oximately 200	0' x 20 . F	Remediation will	be perior	med in accor	dance with an OC	CD and BLM appro	oved remedi	ation pl	lan.	
I hereby certi	fy that the	information gi	ven above	is true and comp	lete to th	e best of my	knowledge and u	nderstand that purs	uant to NM	OCD ri	ules and	
-								tive actions for rele		•	-	
								eport" does not reli eat to ground water				
or the enviror	nment. In a	ddition, NMC	CD accep	tance of a C-141	report do	bes not reliev	e the operator of i	responsibility for co	ompliance v	vith any	other	
		ws and/or regu			- 		-		•			
						OIL CONSERVATION DIVISION						
Signature:	S		$\gg$									
					Approved by District Supervisor:							
Printed Name: Chancey Summers												
Title: HES Specialist					/	Approval Dat	e:	Expiration I	Expiration Date:			
E-mail Address: Chancey.Summers@oxy.com						Conditions of Approval:						
17 10 12						Attached						
Date:	- 4	, <u> </u>	Pho	ne: (575) 397-82	397-8216							

* Attach Additional Sheets If Necessary