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

APR 1 2 2013

Form C-141 Revised October 10, 2003

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

RECEIVED

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

			Rel	ease Notifi	catio	n and Co	orrective A	ction				
						OPERATOR Initial Report Final					Final Report	
Name of Company OXY PERMIAN						Contact TONY AGUILAR						
Address 1017 W. STANOLIND ROAD					Telephone l	No. 575-397-82	51				***************************************	
Facility Name SOUTH HOBBS UNIT					Facility Type INJECTION WELL							
Surface Owner OXY PERMIAN Mineral Owner					OXY PERM	IAN		Lease I	No. SHU W	ELL 4	43	
LOCATIO					NOFRE	FASE	. Ann Recommend of the page of			y		
Unit Letter	Section	Township	Range	Feet from the	THE RESERVE AND ADDRESS OF THE PERSON NAMED IN	h/South Line	Feet from the	Fast/W	est Line	County		
К	4	19	38	10'	NOR		Tool Holli tile	2400 11	oot zaito	LEA		
		***************************************		Latitude N32.				31				
Type of Rela	ase PRODI	JCE WATER		NAI	UKE	OF REL	Marian Art and	- 1	Volume	Decovered 0	PRIC	
Source of Re		JCB WAIER				Volume of Release 20BBLS Volume Recovered 0 BBLS Date and Hour of Occurrence Date and Hour of Discovery						White drawer to the same of th
PRODUCE	WATER					2/18/2013 10:15:00 AM 02/18-2013 10:15AM						
Was Immedi	ate Notice (Yes [No □ Not R	equired	If YES, To Whom?						
By Whom?	TONY AGU	ILAR			-	Date and Hour 02/18/2013 @ 11:12AM						
Was a Water		hed?	Yes 🗵	No		If YES, Volume Impacting the Watercourse.						
The second secon		em and Reme F LIFE, INTE										
COVERED COMPLETE	AN AREA (D ON FLO ify that the i	WLINE. Information giare required to	ven above	en.* ATED ON OXY is true and comp d/or file certain r	lete to	the best of my	knowledge and u	inderstand	that pur	suant to NM eases which	OCD ri	ules and ndanger
or the enviro	oment. In a		CD accep	investigate and r tance of a C-141			on that pose a thr	eat to gro	und wate	r. surface wa	iter. hu	man health
Signature Joney Louden						Ap A	PP	R	20	V		D
Printed Name		-	A			-						
Title: 746	SI	recial	el	Market (Mr. As - porter also Add Alberts), graps gallenness		Approval Dat	: 2/3/11	PE	xpiration	Date:		
A I PARTY OF THE P		OND_AGUIL	AR@OX	Y.COM		Conditions of	Approval:			Attached		0
Date: 2-19-2013 Phone: 575-397-8251						Attached 128				6		

^{*} Attach Additional Sheets If Necessary

1625 N. French Dr., Hobbs, NM 88240 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 1220 S. St. Francis Dr., Santa Fe, NM 87505

SHU #43

Oxy

Name of Company

Facility Name

Surface Owner

Address

State of New Mexico Energy Minerals and Natural Resources

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

Revised October 10, 2003

Form C-141

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 Oxy Permian Ltd. Contact CJ Summers 1017 W. Stanolind Rd. Hobbs, NM Telephone No. (575) 397-8216 Facility Type Injection Well Mineral Owner API No. 30-025-07601 Oxy

LOCATION OF RELEASE Unit Letter Section Feet from the North/South Line Feet from the Township Range East/West Line County 198 2310 South 1650 West Lea

Latitude N 32.28428° Longitude W 103.79005 NATURE OF RELEASE Type of Release Produced water Volume of Release 20 bbls Volume Recovered 0 bbls Source of Release 3" steel line leak Date and Hour of Occurrence Date and Hour of Discovery 2/18/13 @ 10:15 am 2/18/13 @ 10:15 am Was Immediate Notice Given? If YES, To Whom? Geoffrey Leking By Whom? Tony Aguilar Date and Hour 2/18/13 @ 11:12 am Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* A 3' steel line leaked and caused 20 bbls of produced water to leak onto the ground. The fluids were not recoverable but the leak was repaired. Describe Area Affected and Cleanup Action Taken.* The area affected is approximately 30' x 500'. A 3" steel line leaked and caused 20 bbls of produced water to leak onto the ground. The fluids were not recoverable but the leak was repaired. Remediation was completed in accordance with the remediation plan approved by Geoffrey Leking via email on 03/14/2013. 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, WMOCD 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: Chancey Summers Title: HES Specialist Approval Date: **Expiration Date:** E-mail Address: Chancey.Summers@oxy.com Conditions of Approval: Attached Date: Phone: (575) 397-8216

Attach Additional Sheets If Necessary

Closure Report

HOBBS OCD

	Site Description	APR 1 2 2012
Site Name:	SHU #43	RECEIVED
Company:	Oxy Permian Ltd.	
Legal Description:	U/L K, Section 4, T19S, R38E	
County:	Lea County, NM	× 1
GPS Coordinates:	N 32.28428° W 103.79005°	

Release Data						
Date of Release:	02/18/2013					
Type of Release:	Produced Water					
Source of Release:	3" steel line leak					
Volume of Release:	20 bbls					
Volume Recovered:	0 bbls					

Remediation Specifications						
Remediation Parameters:	Excavate across the entire leak site to a depth of 1 foot. Then, backfill the excavation area with clean soil.					
Remediation Activities:	03/21/2013 to 03/22/2013					

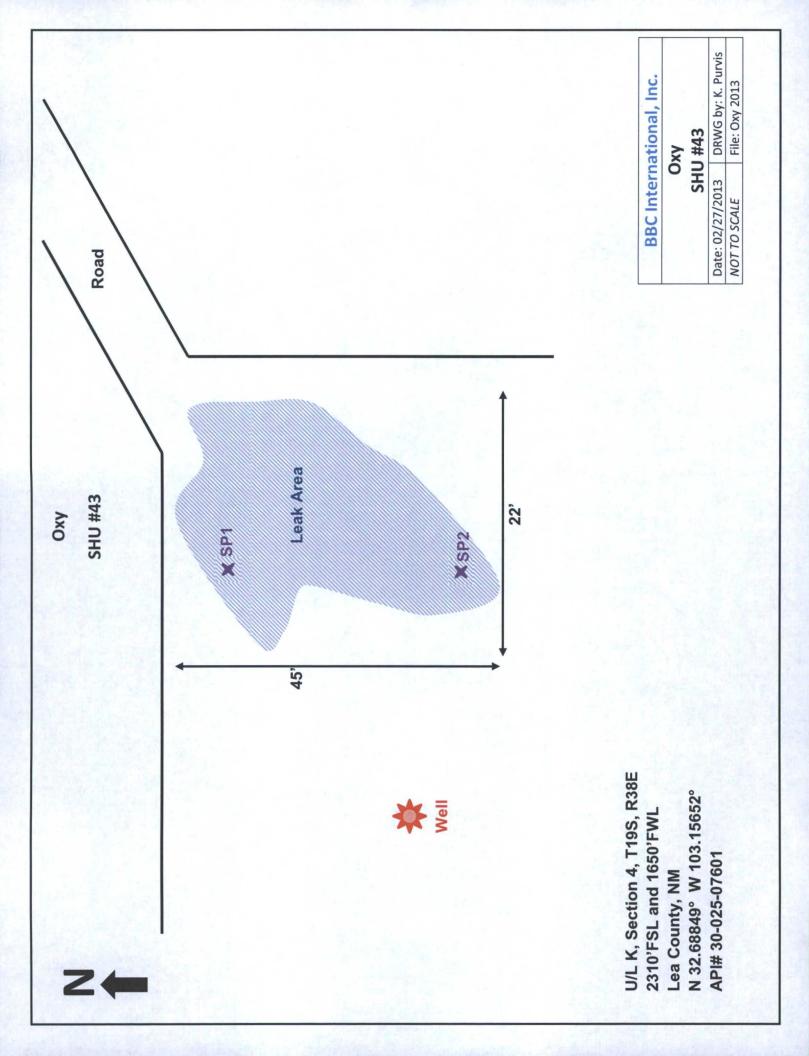
Plan Sent to OCD:	03/12/2013	Email from Cliff Brunson to Geoffrey Leking
OCD Approval of Plan:	03/14/2013	Email from Geoffrey Leking to Cliff Brunson
Plan Sent to BLM:	Not required	Not required
BLM Approval of Plan:	Not required	Not required

	Supporting Documentation
Initial C-141	Signed 02/19/2013
Final C-141	Signed 04/08/2013
Site Diagram	February 2013
Groundwater Plot	25'-50'
TOPO Maps	February 2013
Lab Summary	02/25/2013
Lab Analysis	02/25/2013
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. 04/11/2013



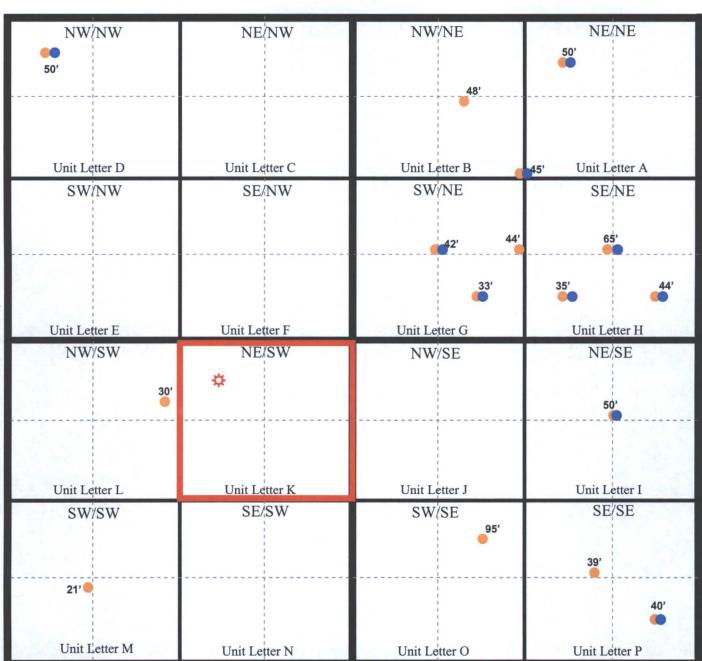


Section Quarters

Oxy SHU #43

CountyUnit LetterSectionTownshipRangeLeaK419S38E

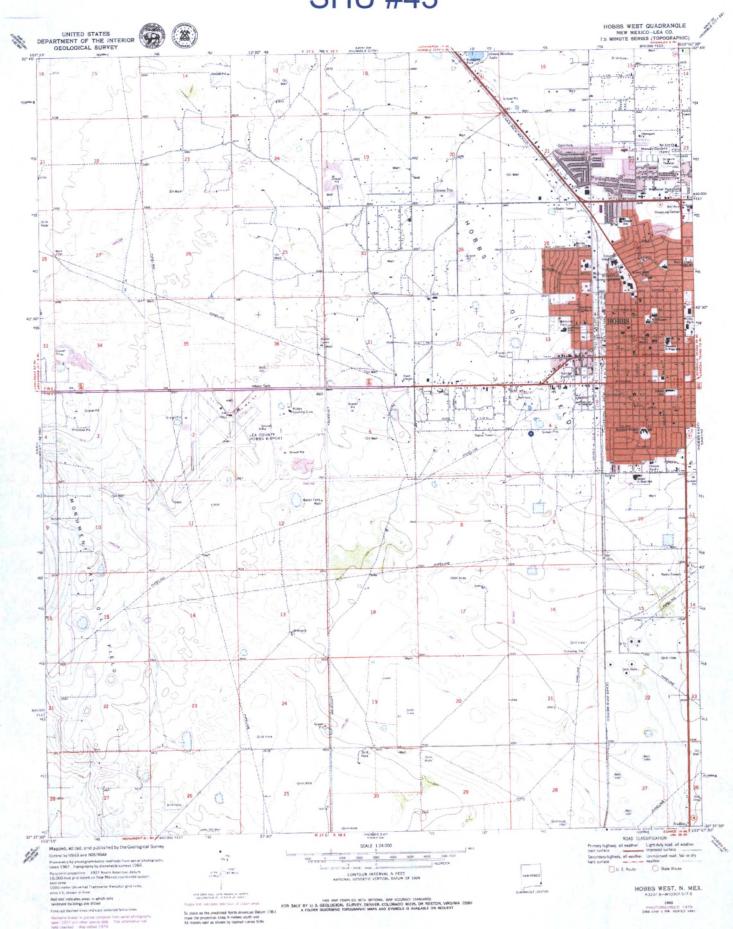
Trend Map 25'-50'



3

Oxy

SHU #43



Laboratory Analytical Results Summary SHU #43

		Sample	Surface	SP1 @ 6"	SP1 @ 1
Analyte	Method	Date	2/25/13	2/25/13	2/25/13
12 2 Bar		No. of London	mg/Kg	mg/Kg	mg/Kg
Chloride	SM4500CI-B	1 ×3 C	1600	592	160

		Sample	SP2 @ Surface	SP2 @ 6"	SP2 @ 1
Analyte	Method	Date	2/25/13	2/25/13	2/25/13
		A.	mg/Kg	mg/Kg	mg/Kg
Chloride	SM4500CI-B		1680	640	176



February 27, 2013

Cliff Brunson

BBC International, Inc.

P.O. Box 805

Hobbs, NM 88241

RE: SHU #43

Enclosed are the results of analyses for samples received by the laboratory on 02/26/13 8:02.

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/ga/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.

Celeg D. Keene

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

(575) 397-0397 Fax To:

Received:

02/26/2013 02/27/2013 Sampling Date:

02/25/2013

Reported:

SHU #43

Sampling Type: Sampling Condition: Soil ** (See Notes)

Project Name: Project Number:

NONE GIVEN

Sample Received By:

Jodi Henson

Project Location:

Analyte

Analyte

Analyte

Analyte

HOBBS, NEW MEXICO

Sample ID: SP 1 @ SURFACE (H300499-01)

	orid				

	п	ıg	/	K	

Result

1600

Analyzed By: DW

Reporting Limit 16.0

Reporting Limit

Reporting Limit

Reporting Limit

16.0

Analyzed 02/26/2013 Method Blank ND

BS 432 % Recovery 108

True Value QC

RPD

3.77

RPD

3.77

Qualifier

Sample ID: SP 1 @ 6" (H300499-02)

Chloride, SM4500Cl-B

mg/kg

Analyzed By: DW

Analyzed

Method Blank

% Recovery

Chloride

Chloride

Result 592

16.0 02/26/2013 ND

BS 432

108

True Value QC 400

400

Qualifier

Sample ID: SP 1 @ 1' (H300499-03)

Chloride, SM4500CI-B

Analyzed By: DW

Analyzed

Analyzed

02/26/2013

Method Blank

BS

% Recovery

RPD

Qualifier

Chloride

Chloride

Result 160

Result

1680

16.0 02/26/2013 ND

Method Blank

ND

432

108

108

True Value QC 400

3.77

Sample ID: SP 2 @ SURFACE (H300499-04)

Chloride, SM4500Cl-B

mg/kg

Analyzed By: DW

BS 432

% Recovery

True Value QC

400

RPD 3.77 Qualifier

Cardinal Laboratories

*=Accredited Analyte

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Celegy Freene

Celey D. Keene, Lab Director/Quality Manager

02/25/2013



Analytical Results For:

BBC International, Inc. Cliff Brunson P.O. Box 805

Hobbs NM, 88241

Fax To: (575) 397-0397

Received: 02/26/2013
Reported: 02/27/2013
Project Name: SHU #43

02/27/2013 Sampling Type: Soil
SHU #43 Sampling Condition: ** (See Notes)
NONE GIVEN Sample Received By: Jodi Henson

Sampling Date:

Project Location: HOBBS, NEW MEXICO

Sample ID: SP 2 @ 6" (H300499-05)

Project Number:

Chloride, SM4500Cl-B Analyzed By: DW mg/kg Analyte Reporting Limit Analyzed Method Blank True Value QC **RPD** Qualifier Result % Recovery Chloride 640 16.0 02/26/2013 ND 432 108 400 3.77

Sample ID: SP 2 @ 1' (H300499-06)

Chloride, SM4500CI-B	mg,	/kg	Analyze	Analyzed By: DW					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	176	16.0	02/26/2013	ND	432	108	400	3.77	

Cardinal Laboratories *=Accredited Analyte

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Celeg D. Keene



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

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Celeg D. Keine

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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

company Name: BBC International, Inc.	inal, Inc.						2			BILL 70	2		-	1	1	1	ANALYSIS	LYS		EO	REQUEST	╽			٦
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ddress: P.O. Box 805							Com	Company:												_					
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PLEASE NOTE: Labelity and Domages. Cardinal's labuity and circit's exclusive remedy for any daim arong whether based in contract or fort, shall be limited to the amount paid by the circuit for the analysis and see and any other circuit white have a whatever en suit be deemed waived unless made in writing and received by Cantinal which is 30 days after composition on the applicable many in no event shall cardinal be liable for inclidental or consequented flamages, including without limitation, business, loss of use, or loss of profits incurred by client, its substitutes, affailables or successors arising out of or makes to the performance of services here are designed, including, ingardines of whether such clien is based upon any of the above stated reasons or otherwise.

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

Kathy Purvis

From: Cliff P. Brunson < cbrunson@bbcinternational.com>

Sent: Thursday, March 14, 2013 8:53 AM

To: Ken Swinney; C J Summers; Jennifer Gilkey; Kathy Purvis

Subject: Fwd: OXY SHU #43 Remediation Plan

Sent from my iPhone

Begin forwarded message:

From: "Leking, Geoffrey R, EMNRD" < Geoffrey R. Leking@state.nm.us >

Date: March 14, 2013, 7:48:36 AM MDT

To: "Cliff P. Brunson" < cbrunson@bbcinternational.com>

Subject: RE: OXY SHU #43 Remediation Plan

Cliff

OCD concurs with 1' excavation at the above referenced site as agreed upon at the 3/12/13 meeting. You are approved to go forward with remediation activities. Thank you.

Geoffrey Leking Environmental Specialist NMOCD-Hobbs 1625 N. French Drive Hobbs, NM 88240

Office: (575) 393-6161 Ext. 113

Cell: (575) 399-2990

email: geoffreyr.leking@state.nm.us

From: Cliff P. Brunson [mailto:cbrunson@bbcinternational.com]

Sent: Tuesday, March 12, 2013 7:29 PM

To: Leking, Geoffrey R, EMNRD

Cc: C J Summers; Ken Swinney; Jennifer Gilkey; Kathy Purvis

Subject: OXY SHU #43 Remediation Plan

Geoff,

This message is to confirm our discussion on March 12, 2013 concerning the remediation plan for the Oxy SHU #43 site. I have attached the site diagram and lab data summary table that we used in our discussion. As mutually agreed, Oy will excavate to a depth of 1 foot across the entire leak site and then backfill the site with clean soil.

If you would please reply back via e-mail with your concurrence to this 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
Phone: (575) 397-6388

Fax: (575) 397-0397 E-Mail: <u>cbrunson@bbcinternational.com</u>

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