District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

NM OIL CONSERVATION State of New Mexico

Energy Minerals and Natural Resources

ARTESIA DISTRICT

Form C-141 Revised August 8, 2011

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

AUG 1 1 2016 to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action														
		38922				PERAT		⋈	Initial	Report		Final Report		
Name of Company Oxy Permian Ltd.														
Address 6 Desta Drive, Midland, TX 79705 Telephone No. (575) 513-8289 Facility Name Sundance 9 Federal #3 CTB Facility Type Battery														
Facility Name Sundance 9 Federal #3 CTB Facility Type Battery														
Surface Owner BLM Mineral Owner							API No. 30-015-27232							
				LOCA'	TION	OF REL	EASE							
Unit Letter	Section	Township	Range	Feet from the	North/	South Line	Feet from the	m the East/West Line County						
D	9	248	31E			Eddy								
Latitude N 32.23692° Longitude W 103.78886°														
NATURE OF RELEASE														
Type of Relea	se Produ	iced water		Volume of Release 238 bbls Volume Recovered 120 bbls						shis				
Type of Release Produced water Source of Release Corrosion of a nipple on the water transfer line											and Hour of Discovery			
••						08/03/2016								
Was Immediate Notice Given? ☐ Yes ☐ No ☐ Not Required							If YES. To Whom? Mike Bratcher, Heather Patterson- NMOCD; Shelly Tucker- BLM							
By Whom? Kathy Purvis @ BBC International Inc.						Date and Hour 08/03/2016 @ 12:37 pm								
Was a Watero	ourse Read	<i>-</i>	If YES, Volume Impacting the Watercourse.											
,			No											
If a Watercourse was Impacted, Describe Fully.*														
Describe Cause of Problem and Remedial Action Taken.*														
Corrosion of a nipple on the water transfer line caused a 238 bbls leak of produced water. A vacuum truck recovered 120 bbls and the nipple was replaced.														
Describe Area Affected and Cleanup Action Taken.*														
The effected of	is one	ravimatalu 10	۰۰ _* ۱۰۰ ۰۰۰	ith mast of the la	ale etassia	a an Iosatian	. Demodistion w	ill by some	datad in	accordanc	a náth c	an anneaved		
	The affected area is approximately 100' x 50' with most of the leak staying on location. Remediation will be completed in accordance with an approved remediation plan from NMOCD and the BLM.													
						_								
				is true and comp										
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 la	ws and/or reg	ulations.				OIL CON	CEDVA	TION	DIME	CHT.			
	[]						OIL CON	<u> SEK y A</u>	HUN	ופואות	VIV			
Signature:		W							///		/_			
Printed Name	V Casau	Summers			- 4	Approved by	Environmental S	pecialist:	42	1/2	2			
Printen Mante	casey	Summers					71.011	· #	1		TIA			
Title: NM E	Environme	ntal Advisor		Approval Date: 8/13/16 Expiration Date: N/H										
F-mail Addre	ee Caca	v Summorelê	nory com		ı,	Canditions o	f Annroval:				_			
E-mail Address: Casey Summers@oxy.com						Conditions of Approval: Remediation per O.C.D. Rules & Guidelines								
Date: 8-//- (6 Phone: (575) 513-8289						SUBMIT REMEDIATION PROPOSAL NO								
Attach Additional Sheets If Necessary LATER THAN: 4/12/16 2RP-3827												3827		
										U /	7	U - 0 / 1		

Patterson, Heather, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>

Sent: Thursday, August 11, 2016 10:03 AM

NM. Receipt notification and the RP number are greatly appreciated.

To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; stucker@blm.gov

Cc: Casey_Summers@oxy.com; jennifer_duarte@oxy.com; cbrunson@bbcinternational.com;

'Ken Swinney'; jgilkey@bbcinternational.com

Subject: Initial C-141, Sundance 9 Federal #3 CTB **Attachments:** Initial C-141, Sundance 9 Federal #3 CTB.pdf

Attached is the initial C-141 for a leak that occurred at the Sundance 9 Federal #3 CTB on 08/03/2016 in Eddy County,

Kathy Purvis

BBC International, Inc. 1324 W. Marland Blvd. Hobbs, NM 88240

Business: (575) 397-6388 Cell: (575) 441-8619

kathy@bbcinternational.com

Bratcher, Mike, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>

Sent: Tuesday, August 09, 2016 2:14 PM

To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; stucker@blm.gov

Casey_Summers@oxy.com; jennifer_duarte@oxy.com; cbrunson@bbcinternational.com;

'Ken Swinney'; jgilkey@bbcinternational.com; kathy@bbcinternational.com

Subject: Sundance Federal A CTB

This is to inform you that Oxy Permian had a release at the Sundance Federal A CTB on August 9, 2016. Oxy released 0.25 bbl of oil and 50 bbls of produced water due to excess water being pumped in and alarm failure. The preliminary report indicates the leak is approximately 90' x 70' within the berm behind the water tanks. Recovery efforts are in progress. The release is located in Section 4, T24S, R31E in Eddy County, NM. Driving directions: From Carlsbad, go East on US 285, turn North on NM31, turn East on NM128, go to MM14, turn South on Pure Gold Rd, cross 3 CGs and go 2.75 miles to location on East side of road. GPS coordinates are not available at this time. API# 30-015-20538

Kathy Purvis

BBC International, Inc. 1324 W. Marland Blvd. Hobbs, NM 88240

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kathy@bbcinternational.com