

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

State of New Mexico  
Energy Minerals and Natural Resources

REVIEWED

By Kristen Lynch at 1:01 pm, Sep 27, 2016

Form C-141  
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in  
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

|                 |                                |               |                      |
|-----------------|--------------------------------|---------------|----------------------|
| Name of Company | Oxy Permian Ltd.               | Contact       | Casey Summers        |
| Address         | PO Box 4294; Houston, TX 77210 | Telephone No. | (575) 513-8289       |
| Facility Name   | Federal 27 #003                | Facility Type | Well                 |
| Surface Owner   | BLM                            | Mineral Owner | API No. 30-025-33651 |

LOCATION OF RELEASE

|             |         |          |       |               |                  |               |                |                |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|----------------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County         |
| C           | 27      | 22S      | 32E   |               |                  |               |                | Lea County, NM |

Latitude N 32.36819° Longitude W 103.66360°

NATURE OF RELEASE

|                             |   |   |   |                            |         |
|-----------------------------|---|---|---|----------------------------|---------|
| Type of Release             | Oil and produced water  | Volume of Release                         | 10 bbls oil,<br>30 bbls produced water  | Volume Recovered           | 38 bbls |
| Source of Release           | Compromised valve at the well head  | Date and Hour of Occurrence               | 09/0142016                              | 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?                          | Kristen Lynch-NMOCD; Shelly Tucker- BLM |                            |         |
| By Whom?                    | Kathy Purvis  | Date and Hour                             | 09/14/2016 @ 3:32 pm                    |                            |         |
| 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.\*

A compromised valve at the well head caused a release of 10 bbls oil and 30 bbls produced water on location. A vacuum truck recovered 38 bbls of fluids and the valve was reset.

Describe Area Affected and Cleanup Action Taken.\*

The affected area is approximately 100' x 100' on location. Remediation will be completed in accordance with a remediation plan approved by 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: Casey Summers           | Approved by Environmental Specialist:  |                             |   |
| Title: NM Environmental Advisor       | Approval Date: 9/27/2016  | Expiration Date: 11/27/2016 |   |
| E-mail Address: Casey.Summers@oxy.com | NMOCD accepts discrete samples only<br>Conditions of Approval: Please notify NMOCD<br>Prior to Sampling                     |                             | Attached <input type="checkbox"/><br>1RP 4454 |
| Date: 9-20-16                         | Phone: (575) 513-8289   |                             |   |

\* Attach Additional Sheets If Necessary

Please provide Remediation plan no later than 10/27/2016.

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