

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Incident ID	NAPP2126572377
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party: Oxy USA Inc.	OGRID:
Contact Name: Margrethe Berge	Contact Telephone: 832-248-5305 (cell)
Contact email: margrethe_berge@oxy.com	Incident # (assigned by OCD)
Contact mailing address: 5 Greenway Plaza, Suite 110, Houston, TX 77018	

Location of Release Source

Latitude _____ 32.2920609 _____ Longitude _____ -103.7849197 _____
(NAD 83 in decimal degrees to 5 decimal places)

Site Name: N/A (Remote Field Location)	Site Type: Open Field Area (Remote Location)
Date Release Discovered: July 13, 2021	API# (if applicable): 3001535296

Unit Letter	Section	Township	Range	County
F	21	23S	31E	Eddy

Surface Owner: ☐ State ☒ Federal ☐ Tribal ☐ Private (Name: _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Natural Gas	Volume Released (Mcf): 66,646	Volume Recovered (Mcf): 0
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release

Failure on the seam of a surface gas line. No liquids released, only gas.

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Was this a major release as defined by 19.15.29.7(A) NMAC?

☒ Yes ☐ No

If YES, for what reason(s) does the responsible party consider this a major release?

Oxy contracts with third-party aerial survey contractors, and on July 12, 2021, Oxy became aware of a potential leak detected in the middle of a remote field. The potential leak was geographically removed from wells and tank batteries, but somewhat within the vicinity of Oxy's operations. Within 24 hours, an Oxy field crew was deployed to the remote area to search for the potential leak. A rip on the seam was detected in a surface gas line. Upon verification of the leak, Oxy immediately shut-in producing wells to stop the leak. The damaged gas line was repaired the next day on July 14, 2021.

Once the leak was verified and stopped, and the damaged gas line was repaired, Oxy's Operations group then transitioned its focus on performing an extensive review to determine how long the leak may have gone on for. The review demanded a significant amount of time and resources, including conducting field visits to ensure the leak was isolated to this remote gas line, and performing extensive data analysis of historical production and pressure records on the Pure Gold A Fed 8 battery production meter.

The group determined that the leak was isolated to the damaged gas line, and also identified an August 31, 2020 pressure drop, providing insight into the potential timing of when the leak first occurred. While not certain, the group used best engineering and operational estimates to determine that, based on the pressure drop on August 31, 2020 found in historical production and pressure records, it is possible that a total of 79,369 mscf of gas may have leaked from the failed seam on the gas line, an amount that meets the definition of a "major release." This estimated total covers the timeframe from August 31, 2020 until July 13, 2021, when the leak was stopped.

Upon conclusion of the review, when Oxy had an objectively reasonable basis to determine that a major release likely took place, Oxy reached out to the Division, and informed them of the event and our plans to submit a C-141 for the time period covering August 31, 2020 until May 24, 2021 (the day before the NMOCD's venting/flaring rule went into effect) for estimated emissions of 66,646 mscf, and that additional daily C-129's would be submitted for May 25, 2021 until July 11, 2021, and July 13, 2021 for 12,420 mscf. A C-129 has already been submitted for July 12, 2021, the day Oxy became aware of a potential leak, reporting 303 mscf for that day. It should be noted that upon further review and after the first C-129 submittal covering July 12, 2021 when Oxy became aware of the leak; it was determined that the volume reported for July 12, 2021 should have been 259 mscf instead of the 303 mscf initially reported. Therefore, we have contacted The Division to amend that initial C-129 submittal.

Estimated Leak Duration: Oxy became aware of a potential leak in a remote field on July 12, 2021. The leak was confirmed by an Oxy field crew on July 13, 2021 and wells were immediately shut-in to stop the leak. The damaged gas line was repaired the next day on July 14, 2021.

Again, the leak was stopped within 24 hours of Oxy becoming aware of the leak, once the leak was verified and stopped and the damaged gas line was repaired, Oxy's Operations group then transitioned its focus on performing an extensive review to determine when the leak likely began. This review demanded a significant amount of time and resources, as the group conducted field visits to ensure the leak was isolated to this remote gas line, and performed extensive data analysis of historical production and pressure records on the Pure Gold A Fed 8 battery production meter. The group identified an August 31, 2020 pressure drop, providing insight into the potential timing of when the leak first occurred. Based on the potential duration of the leak from the pressure drop in historical production and pressure records (potential start date of August 31, 2020 until July 13, 2021, when the leak was stopped) it is possible that a total of 79,369 mscf of gas may have leaked from the failed seam on the gas line. Upon conclusion of the review, when Oxy had an objectively reasonable basis to determine that a major release likely took place, Oxy reached out to the Division and informed them of the event and our plans to submit a C-141 for August 31, 2020 until May 24, 2021, and that additional daily C-129's would be submitted for May 25, 2021 until July 11, 2021, and July 13, 2021. Oxy has already submitted a C-129 covering July 12, 2021, the day Oxy became aware of a potential leak.

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If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?

A third-party aerial surveillance contractor flagged a potential leak in a remote field, removed from well pads and tank batteries. Oxy did not become aware of the potential leak until July 12, 2021. A field crew was deployed to the remote field within 24 hours of becoming aware of the potential leak and verified that same day (July 13, 2021) that there was a leak attributable to Oxy. Upon verification, Oxy immediately shut-in production, stopping the leak. Oxy also repaired the damaged gas line the next day, July 14, 2021. A C-129 has been submitted for the 24-hour period covering July 12, 2021 during which Oxy became aware of a potential leak.

The Operations group plans to perform an extensive root cause analysis to determine why the leak may have occurred and how Oxy can prevent this type of event from happening in the future.

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

- ☒ The source of the release has been stopped.
- ☒ The impacted area has been secured to protect human health and the environment.
- ☐ Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.
- ☐ All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not been undertaken, explain why:

There were no liquids or spills associated with this gas line leak.

Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.

Printed Name: _____ Title: _____

Signature: _____ Date: _____

email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

State of New Mexico
Oil Conservation Division

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Printed Name: Margrethe Berge

Title: Director of Air Quality

Signature: [Signature]

Date: 9/22/2021

email: margrethe-berge@oxy.com Telephone: 832 248-5305

OCD Only

Received by: Ramona Marcus

Date: 9/28/2021

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Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release?	_____ (ft bgs)
Did this release impact groundwater or surface water?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a wetland?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release overlying a subsurface mine?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release overlying an unstable area such as karst geology?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within a 100-year floodplain?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Did the release impact areas not on an exploration, development, production, or storage site?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Report Checklist: *Each of the following items must be included in the report.*

- ☐ Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.
- ☐ Field data
- ☐ Data table of soil contaminant concentration data
- ☐ Depth to water determination
- ☐ Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release
- ☐ Boring or excavation logs
- ☐ Photographs including date and GIS information
- ☐ Topographic/Aerial maps
- ☐ Laboratory data including chain of custody

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

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email: _____ Telephone: _____

OCD Only

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Remediation Plan

Remediation Plan Checklist: *Each of the following items must be included in the plan.*

- ☐ Detailed description of proposed remediation technique
- ☐ Scaled sitemap with GPS coordinates showing delineation points
- ☐ Estimated volume of material to be remediated
- ☐ Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC
- ☐ Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required)

Deferral Requests Only: *Each of the following items must be confirmed as part of any request for deferral of remediation.*

- ☐ Contamination must be in areas immediately under or around production equipment where remediation could cause a major facility deconstruction.
- ☐ Extents of contamination must be fully delineated.
- ☐ Contamination does not cause an imminent risk to human health, the environment, or groundwater.

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Printed Name: _____ Title: _____

Signature: _____ Date: _____

email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

☐ Approved ☐ Approved with Attached Conditions of Approval ☐ Denied ☐ Deferral Approved

Signature: _____ Date: _____

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Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: Each of the following items must be included in the closure report.

- ☐ A scaled site and sampling diagram as described in 19.15.29.11 NMAC
- ☐ Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)
- ☐ Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)
- ☐ Description of remediation activities

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Printed Name: _____ Title: _____

Signature: _____ Date: _____

email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by: _____ Date: _____

Printed Name: _____ Title: _____

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1625 N. French Dr., Hobbs, NM 88240
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State of New Mexico
Energy, Minerals and Natural Resources
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CONDITIONS

Action 51260

CONDITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 51260
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
marcus	None	10/4/2021