

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

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141
Revised August 8, 2011

SEP 07 2016

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

RECEIVED

Release Notification and Corrective Action

NAB11625739587

OPERATOR

Initial Report Final Report

| | | | |
|-----------------|----------------------------------|---------------|----------------|
| Name of Company | Oxy Permian Ltd. <i>1106916</i> | Contact | Casey Summers |
| Address | 6 Desta Drive, Midland, TX 79705 | Telephone No. | (575) 513-8289 |
| Facility Name | Federal 12 #009 | Facility Type | Well |
| Surface Owner | BLM | Mineral Owner | |
| | | API No. | 30-015-26971 |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|-----------------|
| O | 12 | 22S | 31E | | | | | Eddy County, NM |

Latitude N 32.39964° Longitude W 103.73044°

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|---|----------------------------|--------|
| Type of Release | Oil and Produced water | Volume of Release | 1 bbl oil, 9 bbls produced water | Volume Recovered | 0 bbls |
| Source of Release | Livestock broke nipple on pressure gauge | Date and Hour of Occurrence | 08/27/2016 | 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? | Mike Bratcher, Heather Patterson- NMOCD; Shelly Tucker- BLM | | |
| By Whom? | Kathy@ BBC International, Inc. | Date and Hour | 08/29/2016 @ 3:06 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.*

Livestock broke the nipple off of a pressure gauge causing a leak of 1 bbl of oil and 9 bbls of produced water. No fluids were recovered and the nipple was replaced.

Describe Area Affected and Cleanup Action Taken.*

The affected area is approximately 100' x 20' both on location around the pumpjack and north of location. Remediation will be completed in accordance with a plan approved by both 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: | | OIL CONSERVATION DIVISION | |
| Printed Name: | Casey Summers | Approved by Environmental Specialist: | |
| Title: | NM Environmental Advisor | Approval Date: | 9/13/16 Expiration Date: N/A |
| E-mail Address: | Casey.Summers@oxy.com | Conditions of Approval: | Remediation per B.C.D. Rules & Guidelines Attached <input type="checkbox"/> |
| Date: | 9-7-16 Phone: (575) 513-8289 | SUBMIT REMEDIATION PROPOSAL NO LATER THAN: 10/13/16 | |

* Attach Additional Sheets If Necessary

2RP-3880

Patterson, Heather, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>
Sent: Wednesday, September 07, 2016 4:29 PM
To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; stucker@blm.gov
Cc: Casey_Summers@oxy.com; jennifer_duarte@oxy.com; 'Cliff Brunson'; 'Ken Swinney'; 'Jennifer Gilkey'
Subject: Initial C-141, Federal 12 #009
Attachments: Initial C-141, Federal 12 #009.pdf

Attached is the initial C-141 for a leak that occurred at the Federal 12 #009 on 08/27/2016 in Eddy County, NM. Receipt notification and the RP number via email are greatly appreciated.

Kathy Purvis

BBC International, Inc.
1324 W. Marland Blvd.
Hobbs, NM 88240
Business: (575) 397-6388
Cell: (575) 441-8619
kathy@bbcinternational.com

Patterson, Heather, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>
Sent: Monday, August 29, 2016 3:06 PM
To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; stucker@blm.gov
Cc: Casey_Summers@oxy.com; jennifer_duarte@oxy.com; 'Cliff P. Brunson'; 'Ken Swinney'; 'Jennifer Gilkey'; kathy@bbcinternational.com
Subject: Federal 12 #009

This is to inform you that Oxy Permian had a release at the Federal 12 #009 on August 27, 2016. Oxy released 1 bbl of oil and 9 bbls of produced water due to livestock breaking off a nipple on the pressure gauge. The preliminary report indicates the leak measures 150' x 150' both on and off location. No fluids were recovered. The release is located in U/L O, Section 12, T22S, R31E of Eddy County, NM. Driving directions: From Carlsbad, take US285 to NM31, turn on NM128 to Red Rd, turn North 8 miles, road changes to Campbell Rd, take lease left just before 90 degree turn, go 1.5 miles to 2 pump jacks with heads facing each other, turn right on first lease road north of the pump jacks, go past battery to 2nd well. GPS coordinates: N 32.39961° W 103.72990° API#30-015-26971

Kathy Purvis
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