

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

Form C-141
Revised October 10, 2003

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

| | | | |
|-----------------|----------------------|---------------|----------------|
| Name of Company | Oxy USA WTP | Contact | Dusty Wilson |
| Address | 1017 W. Stanolind Rd | Telephone No. | (575) 397-8247 |
| Facility Name | H.T. Mattern # 1 | Facility Type | Oil well |

| | | | | | |
|---------------|-------------|---------------|--|-----------|--------------|
| Surface Owner | State of NM | Mineral Owner | | Lease No. | 30-025-23494 |
|---------------|-------------|---------------|--|-----------|--------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| L | 30 | 21s | 37e | 1650 | south | 660 | west | Lea |

Latitude _____ Longitude _____

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|-----------------------------|----------------------|----------------------------|----------------------|
| Type of Release | Produce Water | Volume of Release | 18 bbls | Volume Recovered | 15 bbls |
| Source of Release | Broken gauge | Date and Hour of Occurrence | 06/13/2009 @ 2:00 pm | Date and Hour of Discovery | 06/13/2009 @ 3.00 pm |
| Was Immediate Notice Given? | Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/> | | | | |
| By Whom? | If YES, To Whom? | | | | |
| Was a Watercourse Reached? | If YES, Volume Impacting the Watercourse. | | | | |
| | n/a | | | | |

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
Gauge on back pressure valve failed and busted released produce water on location. Vac truck was used to pick up majority of release at time of discovery. Remediation efforts to be determined. For further refer to remediation plan.
Remdiation completed according to work plan

Describe Area Affected and Cleanup Action Taken.*
Remediate to NMOCD Requirements. For further refer to remediation plan. Remediation completed according to work plan.

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: Dusty L. Wilson | Approved by District Supervisor: | <i>Jeffrey L. King</i> | |
| Title: HES Specialist | Approval Date: 09/17/09 | Expiration Date: — | |
| E-mail Address: dusty_wilson@oxy.com | Conditions of Approval: | Attached <input type="checkbox"/> | |
| Date: 06/26/2009 | Phone: (575) 397-8210 | IRP-09-8-2263 | |

- Attach Additional Sheets If Necessary

f GRL 0926057163

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

RECEIVED
JUL 29 2009
HOBBSOCD

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

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

| | | | |
|-----------------|----------------------|---------------|----------------|
| Name of Company | Oxy USA WTP | Contact | Dusty Wilson |
| Address | 1017 W. Stanolind Rd | Telephone No. | (575) 397-8247 |
| Facility Name | H.T. Mattern # 1 | Facility Type | Oil well |
| Surface Owner | State of NM | Mineral Owner | |
| | | Lease No. | 30-025-23494 |

LOCATION OF RELEASE

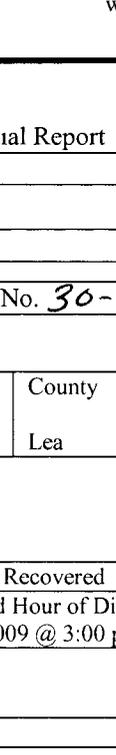
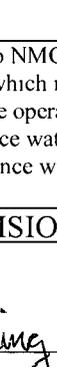
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| L | 30 | 21s | 37e | 1650 | south | 660 | west | Lea |

Latitude _____ Longitude _____

NATURE OF RELEASE

| | | | | | |
|--|---|--|----------------------|----------------------------|----------------------|
| Type of Release | Produce Water | Volume of Release | 18 bbls | Volume Recovered | 15 bbls |
| Source of Release | Broken gauge | Date and Hour of Occurrence | 06/13/2009 @ 2:00 pm | Date and Hour of Discovery | 06/13/2009 @ 3:00 pm |
| Was Immediate Notice Given? | Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/> | If YES, To Whom? | | | |
| By Whom? | | Date and Hour | | | |
| Was a Watercourse Reached? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. n/a | | | |
| If a Watercourse was Impacted, Describe Fully.* N/A | | | | | |
| Describe Cause of Problem and Remedial Action Taken.* Gauge on back pressure valve failed and busted released produce water on location. Vac truck was used to pick up majority of release at time of discovery. Remediation efforts to be determined. For further refer to remediation plan. | | | | | |
| Describe Area Affected and Cleanup Action Taken.* Remediate to NMOCD Requirements. For further refer to remediation plan. | | | | | |

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: | Dusty L. Wilson | Approved by | ENV ENGR District Supervisor:  |
| Title: | HES Specialist | Approval Date: | 06/29/09 |
| E-mail Address: | dusty_wilson@oxy.com | Expiration Date: | 08/29/09 |
| Date: | 06/23/2009 | Phone: | (575) 397-8210 |
| | | Conditions of Approval: | DELIVER TO CLEAN #1. SUBMIT FINAL C-141 BY |
| | | Attached | <input type="checkbox"/> |
| | | IRP-09-8-2263 | |

- Attach Additional Sheets If Necessary



OXY USA WTP LP

4008 N. Grimes PMB#269
Hobbs, NM 88240
575-397-8210 Office
575-397-8204

RECEIVED

JUL 29 2009

HOBBSOCD

6/23/2009

NMOCD
1625 N. FRENCH DRIVE
HOBBS NM 88240

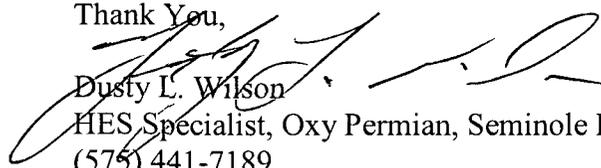
RE: WORK PLAN REPORT/ REPORTABLE SPILL 06/13/09
H. T. Mattern # 1 / *API-30-025-23494*

To Whom It May Concern:

This spill occurred on 06/13/2009. Oxy reported a loss of 18 bbls of Produce Water. 15 bbls Produce Water were recovered by vac truck the day of the release. The original C-141 form and this work plan was hand delivered to the NMOCD 06/24/2009. The affected spill area was contained within the above listed well location site, and affected a 20' X 20' area at the surface level. A visual inspection of the site showed that all of the surface fluids were recovered via vac truck at the time of the spill. Soil samples were obtained from the spill site area. A backhoe, will be used to excavate the affected soil to a depth of 3", and removed them to an approved disposal, Sundance Services, Eunice NM. The area will be backfilled with clean soils and remediation completed. The above was approved via telephone by NMOCD, Jeff Leking, on ~~6/24/09~~ at ~~3:00 pm~~. *6/23/09 3:00 pm.*

This letter is to inform the NMOCD that all remediation for this spill will be completed to NMOCD standards. If any further information is needed please feel free to contact Dusty Wilson, HES Specialist, Oxy Permian, at (575) 441-7189. A copy of the original C-141, Analytical results, and a site diagram are being sent with this letter. Thank you for your attention on this matter.

Thank You,


Dusty L. Wilson
HES Specialist, Oxy Permian, Seminole RMT
(575) 441-7189



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters) (In feet)

| POD Number | Sub basin | Use | County | Q Q Q | 64 | 16 | 4 | Sec | Tws | Rng | X | Y | Depth Well | Depth Water | Water Column |
|---------------|-----------|-----|--------|-------|----|-----|-----|--------|----------|----------|-----|-----|------------|-------------|--------------|
| CP 00484 (E) | SAN | LE | LE | 2 | 4 | 25 | 21S | 36E | 668021 | 3591508* | 207 | 148 | 59 | | |
| CP 00505 | STK | LE | | 2 | 16 | 21S | 36E | 662933 | 3595244* | 215 | 195 | 20 | | | |
| CP 00539 | STK | LE | 4 | 3 | 2 | 30 | 21S | 36E | 659663 | 3591676* | 270 | 240 | 30 | | |
| CP 00664 | SAN | LE | | 2 | 23 | 21S | 36E | 666179 | 3593687* | 185 | 150 | 35 | | | |
| CP 00676 | DOM | LE | 1 | 4 | 4 | 18 | 21S | 36E | 659827 | 3594293* | 140 | 106 | 34 | | |
| CP 00690 | PRO | LE | 4 | 4 | 03 | 21S | 36E | 664706 | 3597487* | 340 | | | | | |
| CP 00734 | DOM | LE | | 1 | 10 | 21S | 36E | 663713 | 3596862* | 215 | 200 | 15 | | | |
| CP 00882 | DOM | LE | | 2 | 23 | 21S | 36E | 666179 | 3593687* | 160 | | | | | |
| CP 00941 POD1 | SAN | LE | 3 | 3 | 2 | 22 | 21S | 36E | 664268 | 3593359* | 257 | | | | |

Average Depth to Water: **173 feet**

Minimum Depth: **106 feet**

Maximum Depth: **240 feet**

Record Count: 9

PLSS Search:

Township: 21S

Range: 36E

CP00484(E) is the closest
Well = Showing 148' to water

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

(In feet)

| POD Number | Sub basin | Use | County | Q 64 | Q 16 | Q 4 | Sec | Tws | Rng | X | Y | Depth Well | Depth Water | Water Column |
|---------------|-----------|-----|--------|------|------|-----|-----|-----|--------|----------|----------|------------|-------------|--------------|
| CP 00726 | DOM | LE | LE | 2 | 4 | 33 | 21S | 37E | 672844 | 3589980* | 125 | 100 | 25 | |
| CP 00735 | DOM | LE | LE | 2 | 4 | 28 | 21S | 37E | 672816 | 3591588* | 105 | | | |
| CP 00736 | DOM | LE | LE | 3 | 1 | 27 | 21S | 37E | 673211 | 3591997* | 120 | 76 | 44 | |
| CP 00749 | DOM | LE | LE | 2 | 4 | 3 | 28 | 21S | 37E | 672118 | 3591271* | 123 | 75 | 48 |
| CP 00835 | STK | LE | LE | 3 | 2 | 3 | 34 | 21S | 37E | 673547 | 3589893* | 145 | | |
| CP 00877 | STK | LE | LE | 3 | 4 | 2 | 06 | 21S | 37E | 669375 | 3598273* | 150 | 73 | 77 |
| CP 00881 | DOM | LE | LE | 3 | 4 | 4 | 22 | 21S | 37E | 674301 | 3592723* | 95 | 53 | 42 |
| CP 00895 | DOM | LE | LE | 1 | 1 | 20 | 21S | 37E | 669957 | 3593956* | 163 | | | |
| CP 00914 EXPL | EXP | LE | LE | 4 | 3 | 1 | 36 | 21S | 37E | 676554 | 3590346* | 72 | | |
| CP 00943 POD1 | DOM | LE | LE | 1 | 3 | 1 | 34 | 21S | 37E | 673138 | 3590488* | 142 | | |
| CP 00965 POD1 | DOM | LE | LE | 1 | 3 | 4 | 28 | 21S | 37E | 672333 | 3591346 | 123 | 60 | 63 |
| CP 00966 POD1 | DOM | LE | LE | 1 | 3 | 4 | 28 | 21S | 37E | 672320 | 3591278* | 154 | | |

Average Depth to Water: 71 feet

Minimum Depth: 53 feet

Maximum Depth: 100 feet

Record Count: 41

PLSS Search:

Township: 21S

Range: 37E

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



ARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

(575) 393-2326 Fax (575) 393-2476

| | | | | | | | | | | | | | | | |
|---|--|-------------------------|--|-------------------------|--|--|--|--|--|--|--|--|--|--|--|
| Company Name: <u>Oxy Permian</u> | | BILL TO | | ANALYSIS REQUEST | | | | | | | | | | | |
| Project Manager: <u>Dusty Wilson</u> | | P.O. #: | | | | | | | | | | | | | |
| Address: <u>4008 N. Grines PMB 269</u> | | Company: | | | | | | | | | | | | | |
| City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>88240</u> | | Attn: | | | | | | | | | | | | | |
| Phone #: <u>(575) 397-8210</u> Email: <u>dusty-wilson@oxy.com</u> | | Address: <u>Grines</u> | | | | | | | | | | | | | |
| Project #: _____ Project Owner: _____ | | City: | | | | | | | | | | | | | |
| Project Name: <u>H.T. Mattern #1</u> | | State: _____ Zip: _____ | | | | | | | | | | | | | |
| Project Location: <u>Unit 1, Sec 30, T21S, R37E</u> | | Phone #: | | | | | | | | | | | | | |
| Sampler Name: <u>Dusty Wilson</u> | | Fax #: | | | | | | | | | | | | | |

| Lab I.D. | Sample I.D. | GRAB OR (C)OMP. | # CONTAINERS | MATRIX | | | | | | PRESERV. | | | SAMPLING | | DATE | TIME | X |
|-----------------|------------------------------|-----------------|--------------|-------------|------------|----------|-----|--------|--------|------------|-------------|--------|----------|----------------|--------------|----------|---|
| | | | | GROUNDWATER | WASTEWATER | SOIL | OIL | SLUDGE | OTHER: | ACID/BASE: | ICE / COOL. | OTHER: | | | | | |
| <u>H11639-1</u> | <u>Sample #001 - Surface</u> | <u>C</u> | <u>1</u> | | | <u>X</u> | | | | | <u>X</u> | | | <u>6/15/09</u> | <u>12:05</u> | <u>X</u> | |
| | <u>-2 Sample #002 - 4"</u> | <u>C</u> | <u>1</u> | | | <u>X</u> | | | | | <u>X</u> | | | <u>6/15/09</u> | <u>12:15</u> | <u>X</u> | |

Chlorides

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

| | | | |
|--|----------------------|--|---|
| Sampler Relinquished: <u>[Signature]</u> | Date: <u>2/16/09</u> | Received By: <u>[Signature]</u> | Phone Result: <input type="checkbox"/> No <input type="checkbox"/> Add'l Phone #: |
| Relinquished By: <u>[Signature]</u> | Time: <u>2:25pm</u> | Received By: <u>[Signature]</u> | Fax Result: <input type="checkbox"/> No <input type="checkbox"/> Add'l Fax #: |
| Delivered By: (Circle One) Sampler - UPS - Bus - Other: | Temp. <u>139</u> | Sample Condition Cool Intact <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | CHECKED BY: (Initials) <u>[Signature]</u> |
| REMARKS: <u>Please Email Results to: dusty-wilson@oxy.com</u> <u>ATTN: Dusty Wilson.</u> | | | |

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.