

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

RECEIVED

OCT 16 2009

HOBBSUCD

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

X Initial Report XX Final Report

Name of Company	Oxy USA WTP	Contact	Dusty Wilson
Address	1017 W. Stanolind Rd	Telephone No.	(575) 397-8247
Facility Name	MLMU # 102	Facility Type	Production well

Surface Owner	Kelly Meyers	Mineral Owner	BLM-Oxy	Lease No.	
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API# 30-025-26909-00-00

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
SE/4 SW/4	36	23s	36e					Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Produce Water	Volume of Release	20 bbls	Volume Recovered	2 bbls
Source of Release	Stuffing Box	Date and Hour of Occurrence	08/03/2009	Date and Hour of Discovery	08/03/2009
Was Immediate Notice Given?	X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Jeff Leking		
By Whom?	Dusty Wilson	Date and Hour	08/04/2009 1300 hrs		
Was a Watercourse Reached?	<input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	n/a		

If a Watercourse was Impacted, Describe Fully.*

N/A

WATER @ 140'

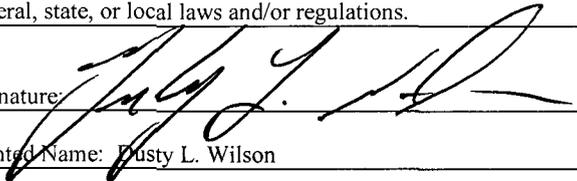
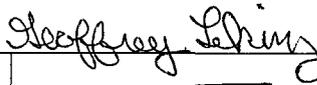
Describe Cause of Problem and Remedial Action Taken.*

Stuffing Box failure. 20 bbls brine water spilled onto location. 2 bbls were recovered by Vac Truck. Soil samples were taken and analyzed. Remediation efforts were agreed as follows by Jeff Leking, NMOCD, Hobbs Ofc.; Surface soils will be removed to a 6" depth and hauled to sundance services for disposal. Spill area was backfilled with clean, like soils. This spill is closed according to agreement.

Describe Area Affected and Cleanup Action Taken.*

Remediated to NMOCD Requirements.

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. ENGINEER - District Supervisor:	
Title:	HES Specialist	Approval Date:	01/12/10
E-mail Address:	dusty_wilson@oxy.com	Expiration Date:	_____
Date:	10/12/2009	Phone:	(575) 397-8210
		Conditions of Approval:	Attached <input type="checkbox"/>
			WRP-10-2-2433

• Attach Additional Sheets If Necessary

f BRL 1005430497

116 RELEASE NOTIFICATION AND CORRECTIVE ACTION [1-1-50...2-1-96; A, 3-15-97]

116.A. NOTIFICATION

(1) The Division shall be notified of any unauthorized release occurring during the drilling, producing, storing, disposing, injecting, transporting, servicing or processing of crude oil, natural gases, produced water, condensate or oil field waste including Regulated NORM, or other oil field related chemicals, contaminants or mixture thereof, in the State of New Mexico in accordance with the requirements of this Rule. [1-1-50...2-1-96; A, 3-15-97]

(2) The Division shall be notified in accordance with this Rule with respect to any release from any facility of oil or other water contaminant, in such quantity as may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [3-15-97]

116.B. REPORTING REQUIREMENTS: Notification of the above releases shall be made by the person operating or controlling either the release or the location of the release in accordance with the following requirements: [5-22-73...2-1-96; A, 3-15-97]

(1) A **Major Release** shall be reported by giving **both** immediate verbal notice and timely written notice pursuant to Paragraphs C(1) and C(2) of this Rule. A Major Release is:

- (a) an unauthorized release of a volume, excluding natural gases, in excess of 25 barrels;
- (b) an unauthorized release of any volume which:
 - (i) results in a fire;
 - (ii) will reach a water course;
 - (iii) may with reasonable probability endanger public health; or
 - (iv) results in substantial damage to property or the environment;
- (c) an unauthorized release of natural gases in excess of 500 mcf; or
- (d) a release of any volume which may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [3/15/97]

(2) A **Minor Release** shall be reported by giving timely written notice pursuant to Paragraph C(2) of this Rule. A Minor Release is an unauthorized release of a volume, greater than 5 barrels but not more than 25 barrels; or greater than 50 mcf but less than 500 mcf of natural gases. [3-15-97]

116.C. CONTENTS OF NOTIFICATION

(1) **Immediate verbal notification** required pursuant to Paragraph B shall be reported within twenty-four (24) hours of discovery to the Division District Office for the area within which the release takes place. In addition, immediate verbal notification pursuant to Subparagraph B.(1).(d). shall be reported to the Division's Environmental Bureau Chief. This notification shall provide the information required on Division Form C-141. [5-22-73 . 2-1-96; A, 3-15-97]

(2) **Timely written notification** is required to be reported pursuant to Paragraph B within fifteen (15) days to the Division District Office for the area within which the release takes place by completing and filing Division Form C-141. In addition, timely written notification required pursuant to Subparagraph B.(1).(d). shall also be reported to the Division's Environmental Bureau Chief within fifteen (15) days after the release is discovered. The written notification shall verify the prior verbal notification and provide any appropriate additions or corrections to the information contained in the prior verbal notification. [5-22-73...2-1-96; A, 3-15-97]

116.D. CORRECTIVE ACTION: The responsible person must complete Division approved corrective action for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the Division or with an abatement plan submitted in accordance with Rule 19 (19 NMAC 15.A. 19). [3-15-97]



ARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

September 1, 2009

Cliff Brunson
BBC International, Inc.
P.O. Box 805
Hobbs, NM 88241

Re: MLMU #102

Enclosed are the results of analyses for sample number H18105, received by the laboratory on 08/27/09 at 1:31 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director

This report conforms with NELAP requirements.



CARDINAL LABORATORIES
 101 East Marland, Hobbs, NM 88240
 (505) 393-2326 FAX (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: BBC International, Inc.				BILL TO				ANALYSIS REQUEST																			
Project Manager: Cliff Brunson				P.O. #:																							
Address: P.O. Box 805				Company:																							
City: Hobbs		State: NM Zip: 88241		Attn:																							
Phone #: 575-397-6388		Fax #: 575-397-0397		Address:																							
Project #:		Project Owner:		City:																							
Project Name: MLMU #102				State: Zip:																							
Project Location:				Phone #:																							
Sampler Name: Jeff Ornelas				Fax #:																							
FOR LAB USE ONLY																											
Lab I.D.	Sample I.D.	(GRAB OR (C)OMP.)	# CONTAINERS	MATRIX																PRESERV			SAMPLING		DATE	TIME	
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER :	ACID/BASE:	ICE / COOL	OTHER :															
H18105-1	SPI @ Surface		1			/					/			8-19-09	9:20a	Chloride BTEX TPH - 8015											
-2	SPI @ 1'		1			/					/			8-19-09	9:55a												
-3	SPI @ 4'		1			/					/			8-19-09	11:19a												
-4	SPI @ 6'		1			/					/			8-19-09	12:13p												

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.

Relinquished By: <i>[Signature]</i>	Date: 8-19-09 Time: 5:00	Received By: Jennifer Bielke	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
Relinquished By: Jennifer Bielke	Date: 8-27-09 Time: 1:31	Received By: Misty LeBut	Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Delivered By: (Circle One) Sampler - UPS - Bus - Other:	16°C #26	Sample Condition Cool Intact <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	CHECKED BY: (Initials) <i>[Signature]</i>	
REMARKS:				

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476