

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

RECEIVED

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

JUL 28 2010

Release Notification and Corrective Action

OPERATOR

X Initial Report Final Report

| | | | |
|-----------------|-------------------------|---------------|----------------|
| Name of Company | Oxy Permian LTD. | Contact | Dusty Wilson |
| Address | 1017 W. Stanolind Rd | Telephone No. | (575) 397-8247 |
| Facility Name | North Hobbs Unit 13-331 | Facility Type | Injection |
| Surface Owner | State of NM | Mineral Owner | Same |
| | | Lease No. | 30-025-05447 |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| J | 13 | 18s | 37e | | | | | Lea |

Latitude N32.7456 Longitude W103.2026

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|----------------------|----------------------------|--------|
| Type of Release | Produce Water | Volume of Release | 40 bbls | Volume Recovered | 5 bbls |
| Source of Release | injection line leak due | Date and Hour of Occurrence | 07/12/2010 0130 pm | Date and Hour of Discovery | same |
| Was Immediate Notice Given? | X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | Jeff Leking | | |
| By Whom? | Steve Bishop | Date and Hour | 07/12/2010 @ 0255 pm | | |
| 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 @ 30'

Describe Cause of Problem and Remedial Action Taken.*

Injection line ruptured and released above stated fluids. Remediation efforts are in progress, and will be determined according to NMOCD requirements. Vac truck was deployed and recovered standing fluids.

Describe Area Affected and Cleanup Action Taken.*

Remediate 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: | 07/29/10 |
| E-mail Address: | dusty_wilson@oxy.com | Expiration Date: | 09/28/10 |
| Date: | 07/21/2010 | Conditions of Approval: | SUBMIT FINAL C-141 BY 09/28/10 |
| Phone: | (575) 397-8210 | Attached | <input type="checkbox"/> |
| | | IRP-11-10-2651 | |

- Attach Additional Sheets If Necessary