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 1220 S. St. Francis Dr., Santa Fe, NM 87505

* Attach Additional Sheets If Necessary

State of New Mexico Energy Minerals and Natural Resources

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

APR 15 2014

RECEIVED

Form C-141 ised October 10, 2003

NMOCD ARTESIA Sopies to appropriate District Office in accordance

with Rule 116 on back side of form

2RP-2271

Release Notification and Corrective Action **OPERATOR** Initial Report Final Report 166910 Oxy Permian Ltd. Contact CJ Summers Name of Company 1017 W. Stanolind Rd. Hobbs, NM Telephone No. (575) 397-8216 Cypress 28 Federal #3H Battery Facility Name Facility Type Gathering Surface Owner API No. 30-015-38287 (nearest well) BLM Mineral Owner LOCATION OF RELEASE Unit Letter Feet from the North/South Line Feet from the Section Township Range East/West Line County 28 23S 29E Eddy Longitude Latitude NATURE OF RELEASE Type of Release Oil and Produced water Volume of Release 40 bbls oil, Volume Recovered 50 bbls 20 bbls produced water Source of Release Internal corrosion on 2" steel transfer line off the Date and Hour of Occurrence Date and Hour of Discovery back of skim tank 04/14/14 If YES, To Whom? Was Immediate Notice Given? Mike Bratcher-NMOCD; Jennifer Van Curen-BLM By Whom? Kathy Purvis, BBC International Date and Hour 04/14/14 @ 3:39 pm Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. Yes No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Internal corrosion on a 2" steel transfer line off the back of the skim tank caused 40 bbls of oil and 20 bbls of produced water to leak onto the ground. A vacuum truck recovered 50 bbls of fluids and the line was repaired or replaced. Describe Area Affected and Cleanup Action Taken.* The affected area is approximately 30°x 30° on location. Remediation will be performed in accordance with a plan approved by NMOCD and 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. OIL CONSERVATION DIVISION Signature: Approved by District Supervisor: Printed Name: Chancey Summers HES Specialist Expiration Date: Title: Approval Date: E-mail Address: Chancey.Summers@oxy.com Conditions of Approval: Attached Remediation per OCD Rule & Guidelines, & Phone: (575) 397-8216 Date:

like approval by BLM. <u>SUBMIT REMEDIATION</u>

PROPOSAL NO LATER THAN:

Bratcher, Mike, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>

Sent: Tuesday, April 15, 2014 2:46 PM

To: Bratcher, Mike, EMNRD; jvancure@blm.gov

Cc: C J Summers; cbrunson@bbcinternational.com; kswinney@bbcinternational.com;

jgilkey@bbcinternational.com

Subject: Initial C-141, Cypress 28 Federal #3H Battery

Attachments: Initial C-141, Cypress 28 Fed #3H Btry.pdf

Attached is the initial C-141 for a leak that occurred at the Cypress 28 Federal #3H Battery on 04/14/14 in Eddy County, NM. Receipt notification via email is greatly appreciated.

Kathy Purvis BBC International, Inc. 1324 W. Marland

Hobbs, NM 88240 Phone: (575) 397-6388 Fax: (575) 397-0397

Email: kathy@bbcinternational.com

Bratcher, Mike, EMNRD

From: Kathy Purvis <k

Kathy Purvis <kathy@bbcinternational.com>

Sent: Monday, April 14, 2014 3:39 PM

To: Bratcher, Mike, EMNRD; jvancure@blm.gov

Cc: C J Summers; Rachael_McPherson@oxy.com; cbrunson@bbcinternational.com;

kswinney@bbcinternational.com; jqilkey@bbcinternational.com; Kathy Purvis

Subject: Cypress 28 Federal #3H Battery

This is to inform you that Oxy Permian Primary NM South had a release at the Cypress 28 Federal #3H Battery on April 14, 2014. Oxy released 40 bbls of oil and 20 bbls of produced water due to internal corrosion on a 2" steel transfer line off the back of a skim tank. A total of 50 bbls of fluids were recovered. The release is located in Section 28, T23S, R29E of Eddy County, NM. BBC International will remediate the location at a later date and an initial C-141 will follow. Driving directions: Off NM 128, turn South at mile marker 4, go down Rawhide Rd 3 miles, turn West go 4 miles and location is on the right.

Kathy Purvis BBC International, Inc. 1324 W. Marland Hobbs, NM 88240 Phone: (575) 397-6388

Fax: (575) 397-0397

Email: kathy@bbcinternational.com