

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

HOBBS OCD
State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505
NOV 10 2014
RECEIVED

Form C-141
Revised August 8, 2011
Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR Initial Report Final Report

| | | | |
|-----------------|---------------------------------------|---------------|----------------------|
| Name of Company | Oxy Permian Ltd. | Contact | Chancey Summers |
| Address | 1017 W. Stanolind Rd, Hobbs, NM 88240 | Telephone No. | (575) 397-8216 |
| Facility Name | South Mattix Battery | Facility Type | Battery |
| Surface Owner | Grobey | Mineral Owner | API No. 30-025-11111 |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| | 15 | 24S | 37E | | | | | Lea |

Latitude N 32.21699° Longitude W 103.14929°

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|---|----------------------------|--------|
| Type of Release | Oil | Volume of Release | 15 bbls | Volume Recovered | 1 bbls |
| Source of Release | External corrosion on a 2" circulating line from the circulating pump to the header | Date and Hour of Occurrence | 04/10/2014 | 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? | Geoffrey Leking-NMOCD, Jennifer Van Curen-BLM | | |
| By Whom? | Jennifer Gilkey | Date and Hour | 04/10/2014 @ 11:41 am | | |
| 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.*

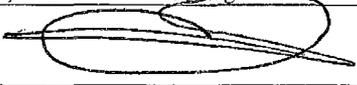
Describe Cause of Problem and Remedial Action Taken.*

External corrosion on a 2" circulating line from the circulating pump to the header leaked 15 bbls of oil onto the ground. A vacuum truck recovered 1 bbls of oil and the line was repaired or replaced.

Describe Area Affected and Cleanup Action Taken.*

The affected area is approximately 40' x 20' on location. Remediation will be completed in accordance with an approved remediation plan from 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: | Chancey Summers | Approved by Environmental Specialist: | |
| Title: | HES Coordinator | Approval Date: | 11-10-14 |
| E-mail Address: | Chancey_Summers@oxy.com | Expiration Date: | |
| Date: | 11-3-14 | Conditions of Approval: | |
| Phone: | (575) 397-8216 | Attached | <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

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