

NM OIL CONSERVATION

ARTESIA DISTRICT

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

State of New Mexico
Energy Minerals and Natural Resources

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

NOV 14 2014

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

7AB1432249850

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 | Lost Tank 4 Federal #19 Battery | Facility Type | Well/Battery |

| | | | |
|---------------|---------------|---------|--------------|
| Surface Owner | Mineral Owner | API No. | 30-015-37896 |
|---------------|---------------|---------|--------------|

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|-----------------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| J | 4 | 22S | 31E | | | | | Eddy County, NM |

Latitude N 32.41907° Longitude W 103.78400°

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|---------------------------------------|----------------------------|--------|
| Type of Release | Oil and produced water | Volume of Release | 10 bbls oil, 30 bbls produced water | Volume Recovered | 0 bbls |
| Source of Release | Corrosion of a 2" steel production flow line | Date and Hour of Occurrence | 11/03/2014 | 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? | Mike Bratcher- NMOCD, Sol Hughes- BLM | | |
| By Whom? | Kathy Purvis, BBC International | Date and Hour | 11/04/2014 @ 4:29 pm | | |
| 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.*

Corrosion of a 2" steel production flow line caused 10 bbls of oil and 30 bbls of produced water to leak onto the ground. No fluids were recovered and the line was repaired/replaced.

Describe Area Affected and Cleanup Action Taken.*

The affected area is approximately 90' x 60' on and off location. Remediation will be completed in accordance with a remediation plan approved by 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: | Signed By: Mike Bratcher |
| Title: HES Advisor | Approval Date: 11/18/14 | Expiration Date: N/A |
| E-mail Address: Chancey.Summers@oxy.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 11-13-14 Phone: (575) 397-8216 | Remediation per O.C.D. Rules & Guidelines | |
| | SUBMIT REMEDIATION PROPOSAL NO | |
| | LATER THAN: 12/18/14 | |

* Attach Additional Sheets If Necessary

2BP-2602

Bratcher, Mike, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>
Sent: Friday, November 14, 2014 11:54 AM
To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; shughes@blm.gov
Cc: C J Summers; Susan Miller; cbrunson@bbcinternational.com;
kswinney@bbcinternational.com; jgilkey@bbcinternational.com
Subject: Initial C-141, Lost Tank 4 Federal #19 Battery
Attachments: Initial C-141, Lost Tank 4 Federal #19 Battery.pdf

Attached is the initial C-141 for a leak that occurred at the Lost Tank 4 Federal #19 Battery on 11/03/2014 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 <kathy@bbcinternational.com>
Sent: Tuesday, November 04, 2014 4:29 PM
To: Bratcher, Mike, EMNRD; shughes@blm.gov
Cc: C J Summers; Susan Miller; cbrunson@bbcinternational.com; kswinney@bbcinternational.com; jgilkey@bbcinternational.com; Kathy Purvis
Subject: Lost Tank 4 Federal #19 Battery

This is to inform you that Oxy Permian Primary NM South had a leak at the Lost Tank 4 Federal #19 Battery on November 3, 2014. Oxy spilled 10 bbls of oil and 30 bbls of produced water due to corrosion of a 2" steel production flow line. The preliminary report shows the leak measuring approximately 90' x 60' with the leak located on and off location. No fluids were recovered. The release is located in U/L J, Section 4, T22S, R31E of Eddy County, NM. BBC International will remediate the location at a later date and an initial C-141 will follow. Driving directions: From Wipp Rd, turn North at mile marker 3, cross 2 cattleguards, go right and stay on main road to battery. API#30-015-37896, GPS coordinates: N 32.41907° W 103.78400°

Kathy Purvis

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