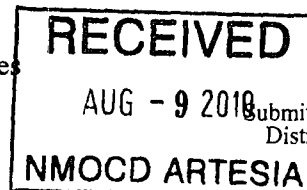


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company OXY USA	Contact Kelton Beaird	
Address 1502 W. Commerce Carlsbad, NM 88220	Telephone No. (O) 575-628-4100	
Facility Name Nagooltee Peak Satellite	Facility Type Satellite location	
Surface Owner BLM	Mineral Owner BLM	Lease No. NM81217 API No. 3001524713

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	5	22S	24E					Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 60 bbls.	Volume Recovered 0
Source of Release tubing line	Date and Hour of Occurrence	Date and Hour of Discovery 6-18-10 7:00am
Was Immediate Notice Given?	If YES, To Whom?	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	Mike Bratcher-NMOC	
By Whom? Kelton Beaird- HES O	Date and Hour See above	
Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse.	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Steel tubing line from the Nagooltee Peak 5-2 corroded and leaked. **The API number is associated with Nagooltee Peak 5-1 because this is the closest well to the leak**.

Describe Area Affected and Cleanup Action Taken.*

Area affected was on the backside of the location behind the horizontal vessels and approx. 200 feet in the pasture. The chloride concentration for the water from this well is approx. 500ppm. Samples were taken and all levels were below RQ's. Analytical is attached to closing report. The area has re-established growth, therefore no further action will be taken. Final pictures of re-growth are attached to closing report. BLM was present when sampling occurred.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws.

OIL CONSERVATION DIVISION

Signature:

Printed Name: Kelton Beaird

Title: HES Specialist

E-mail Address: kelton.beaird@state.nm.us

Date: 8-4-10

Approved by District Supervisor:

Approval Date: 8-15-10

Expiration Date: N/A

Conditions of Approval:

Attached ☐