Closure Report

	Site Description
Site Name:	Federal C 35 #003
Company:	Oxy Permian Ltd.
Legal Description:	U/L K, Section 4, T18S, R33E
County:	Eddy County, NM
GPS Coordinates:	N 32.43196° W 104.57110°

	Release Data
Date of Release:	09/21/2012
Type of Release:	Produced Water
Source of Release:	Failure in 3" poly production line
Volume of Release:	20 bbls
Volume Recovered:	0 bbls

	Remediation Specifications
Remediation	Excavate 1.5' of material across the entire impacted area.
Parameters:	Obtain confirmation samples of sidewalls and affected areas outside trench. Perform BTEX and TPH sampling at bottom of sump upon excavation of spillage. Backfill excavation with clean soil. Resurface roads. Re-seed as necessary.
Remediation Activities:	08/05/2013 to 09/03/2013

Plan Sent to OCD:	12/17/2012	Email from Cliff Brunson to Mike Bratcher
OCD Approval of Plan:	01/15/2013	Email from Mike Bratcher to Cliff Brunson
Plan Sent to BLM:	01/15/2013	Email from Cliff Brunson to Terry Gregston
BLM Approval of Plan:	01/30/2013	Email from Terry Gregston to Cliff Brunson

	Supporting Documents	adon
Initial C-141	Signed 09/25/2012	
Final C-141	Signed 09/05/2013	RECEIVED
Site Diagram	September 2012	CED 00 2012
Groundwater Plot	150'	SEP 0 9 2013
TOPO Maps	September 2012	NMOCD ARTESIA
Lab Summary	11/12/2012	
Lab Analysis	11/12/2012	
Correspondence	Request and approval of reme	ediation plan via email

Request for Closure

Based on the completion of the remediation plan as agreed upon, BBC International requests closure approval from NMOCD.

Cliff Brunson, President of BBC International Inc.

09/06/2013

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

State of New Mexico Energy Minerals and Natural Resources

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

Submit 2 Copies to appropriate District Office in accordance

Form C-141

Revised October 10, 2003

with Rule 116 on back side of form

Attached

Release Notification and Corrective Action **OPERATOR** Initial Report Final Report Name of Company Oxy Permian Ltd. Contact Christopher Jones 1502 W. Commerce Dr., Carlsbad, NM Telephone No. (575) 628-4121 Address Facility Name Federal C 35 #003 Facility Type Production Surface Owner Mineral Owner Lease No. API#30-015-30619 LOCATION OF RELEASE Unit Letter Section Township Feet from the North/South Line East/West Line County Range K Eddy County, NM **18S** 33E Latitude N 32.43196° Longitude W 104.57110° NATURE OF RELEASE Volume of Release Volume Recovered Type of Release Produced water 20 bbls 0 bbls Date and Hour of Occurrence Source of Release Failure in 3" poly production line Date and Hour of Discovery 9/21/2012 @ 8:00 am If YES, To Whom? Was Immediate Notice Given? Mike Bratcher- NMOCD, Terry Gregston-BLM By Whom? Christopher Jones Date and Hour 09/21/2012 @ 9:10 am Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* RECEIVED SEP **09** 2013 Describe Cause of Problem and Remedial Action Taken.* NMOCO ARTESIA The failure of a 3" poly production line caused 20 bbls of produced water to leak onto the ground. 0 bbls were recovered. Describe Area Affected and Cleanup Action Taken.* The area affected was approximately 60' x 60'. Remediation will be performed according to an OCD and BLM approved remediation plan. 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 NACD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws or regulations. OIL CONSERVATION DIVISION Signature: Approved by District Supervisor: Christopher Jones Printed Name: Title: HES Specialist Approval Date: Expiration Date: E-mail Address: Christopher Jones@oxy.com Conditions of Approval:

Phone:

(575) 628-4121

09/25/2012

^{*} Attach Additional Sheets If Necessary

<u>District I</u> 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

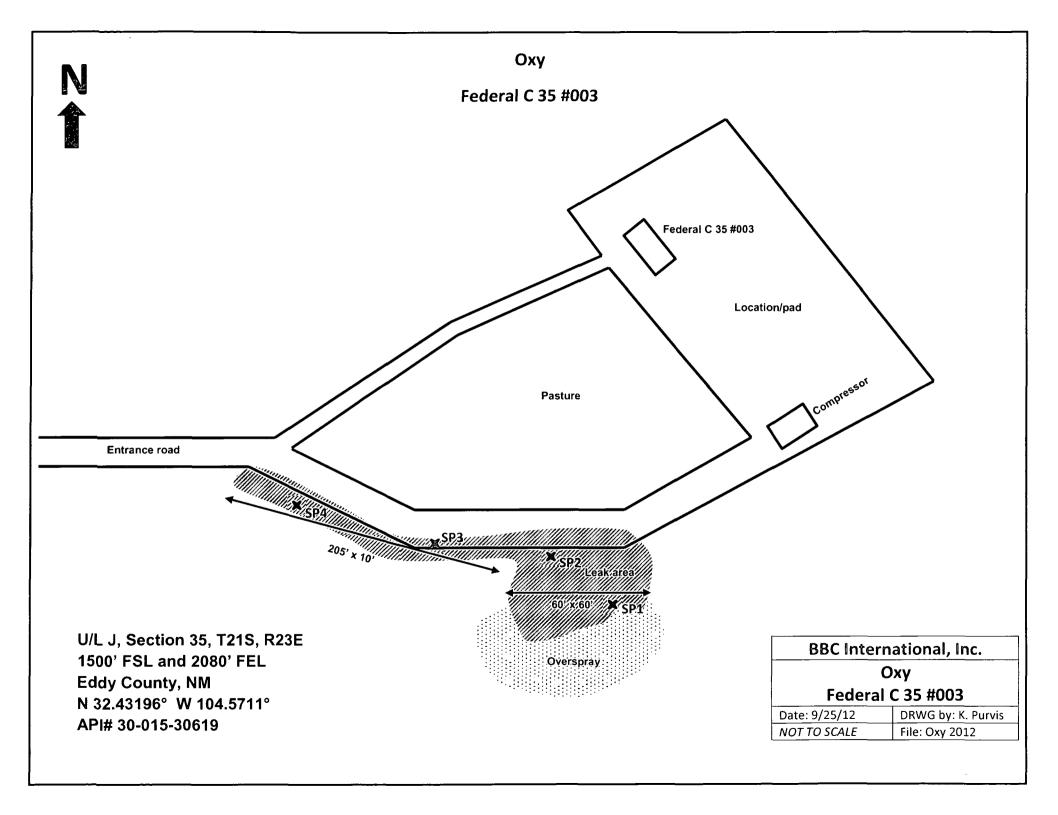
Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

RECEIVED

Form C-141 Revised October 10, 2003

SEP 0 9 2013
Submit 2 Copies to appropriate
District Office in accordance 1
NMOCD ARTESIA with Rule 116 on backside of form side of form

Release Notification and Corrective Action														
					-	OPERAT	OR			Initia	ıl Report	\boxtimes	Final I	Report
Name of Co		Oxy Permia				Contact Christopher Jones								
		ommerce Dr ral C 35 #00		ad, NM		Telephone No. (575) 628-4121								
Facility Nar	ne reue	rai C 33 #00	3			Facility Type Production								
Surface Ow	ner			Mineral C	wner					Lease N	lo. API#30	-015-3	0619	
				LOCA	TION	OF REI	LEASE							١ ٠
Unit Letter	Section	Township	Range	Feet from the		South Line	Feet from	the	East/V	Vest Line	County			
K	4	185	33E								Eddy Cou	ntu NA	Л	
		105	·		21060						Ludy Cou	nty, ren	<u> </u>	
	Latitude <u>N 32.43196°</u> Longitude <u>W 104.57110°</u>													
T 23				<u>NAT</u>	URE	OF RELI								
Type of Rele Source of Re		uced water lure in 3" poly	. producti	on line		Volume of Date and H		20 bbl	T. 1	Volume F		0 bbls		-;
Source of Ke	icase rai	iure in 3 por	producti	on tine		9/21/2012			e	Date and	Hour of Dis	covery		;]
Was Immedi	ate Notice (If YES, To	Whom?							*,
		\boxtimes	Yes _	No Not Re	equired	Mike Brate	her- NMO	CD, Te	erry Gre	gston-BLN	1			1
By Whom?						Date and Hour 09/21/2012 @ 9:10 am								
Was a Water	course Rea	_	i v _{aa} K⊽	1 No		If YES, Vo	olume Impa	acting t	he Wate	ercourse.				,
	☐ Yes ☒ No													
If a Waterco	urse was Im	pacted, Descr	ibe Fully.	*										
														Î
Describe Car	use of Prob	em and Reme	dial Actio	n Taken.*										
				20 bbls of produc	ed water	to leak onto	the ground	l. 0 bb	ls were	recovered a	ınd the line	was rep	aired.	
Describe Are	a Affected	and Cleanup	Action Tal	ken.*										-
The area affe	cted was a	oproximately (60' x 60'.	Remediation was						ı plan appro	oved by Mik	e Brate	her of	
NMOCD via	email on 0	1/15/2013 and	l approved	l by Terry Gregsto	on of the	BLM via em	ail on 01/3	30/2013	3.					
I hereby cert	ify that the	information g	iven above	e is true and comp	lete to ti	ne best of my	knowledge	e and u	ınderstaı	nd that purs	suant to NM	OCD r	ules and	
regulations a	ll operators	are required t	o report a	nd/or file certain r	elease n	otifications a	nd perform	correc	tive act	ions for rel	eases which	may e	ndanger	
public health	or the envi	ronment. The	acceptan	ce of a C-141 repo	ort by the remediate	e NMOCD m e contaminati	arked as "l	Final R	eport" d	ioes not rel	ieve the ope	rator o	liabilit man he	y :
or the enviro	nment. In	addingn, KMC	OCD accel	otance of a C-141	report d	oes not reliev	e the opera	ator of	respons	ibility for c	ompliance v	with an	other	······ 4
federal, state	, or local la	wie and of reg	ulations.											
		// X					OIL	CON	<u>SERV</u>	AHON	DIVISIO	<u>NC</u>		:
Signature:	-/-/-													i
Printed Name: Christopher Jones							District St	upervis	or:					3
										_				
Title: HES	Specialist Specialist					Approval Da	te:			Expiration	Date:			
E-mail Addr	ess: Chri	stopher_Jones	@oxy.cor	n		Conditions o	f Approval	l:						
C	-5-	-13					••				Attached	י ו		
The area affe NMOCD via I hereby cert regulations a public health should their or the enviro federal, state Signature: Printed Nam	ify that the all operators or the envious lands. In a correct lands or local lands. Christ	information g are required to fronment. The nave failed to addition, NMO	iven above o report a acceptant adequately OCD acceptant adequately OCD acceptant adequately OCD acceptant on s.	Remediation was by Terry Gregsto e is true and comp nd/or file certain rece of a C-141 report investigate and reparate of a C-141	on of the	BLM via em ne best of my otifications a e NMOCD m e contamination oes not reliev Approved by Approval Da	knowledge and perform arked as "I on that poste the operation of the poste the operation of the control of the	e and un correct Final R se a thrator of CON	anderstantive active active active active active active gent to great to grespons SERV Sor:	nd that pursions for relates not relates not relates not relates ibility for conditions.	suant to NM eases which ieve the ope r, surface w ompliance v	OCD r may e rator o ater, hu with an	ules and idanger fliabilit man hea	,





Groundwater Plot

Oxy Federal C 35 #003

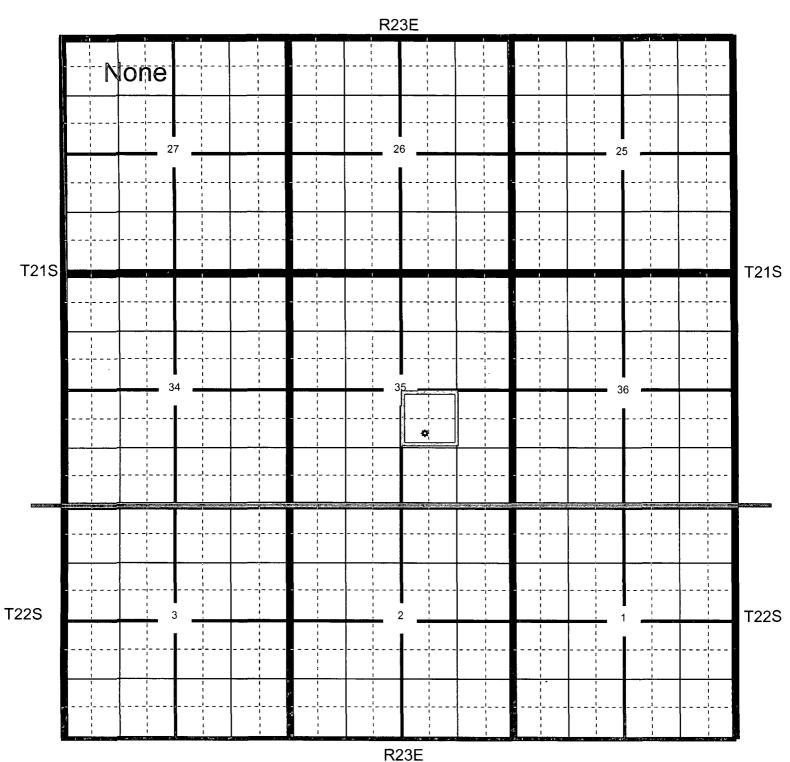
County Eddy Unit Letter

Section 35

Township 21S Range 23E

Trend Map

150'



❖ Location

OCD

OUSGS

OSEO

All Databases



Section Quarters

Oxy Federal C 35 #003

CountyUnit LetterSectionTownshipRangeEddyJ3521S23E

Trend Map 150'

1

NW/NW	ne/nw	NW/NE	NEĮNE
None			
Unit Letter D SW/NW	Unit Letter C SE/NW	Unit Letter B SW/NE	Unit Letter A SE/NE
Unit Letter E NW/SW	Unit Letter F NE/SW	Unit Letter G NW/SE	Unit Letter H NE/SE
INW/SW	INE/IS W	NW/SE	NE/SE
Unit Letter L	Unit Letter K	₩ Unit Letter J	Unit Letter I
SW/SW	SE/SW	SW/SE	SE/SE
Unit Letter M	Unit Letter N	Unit Letter O	Unit Letter P

3

4

Location

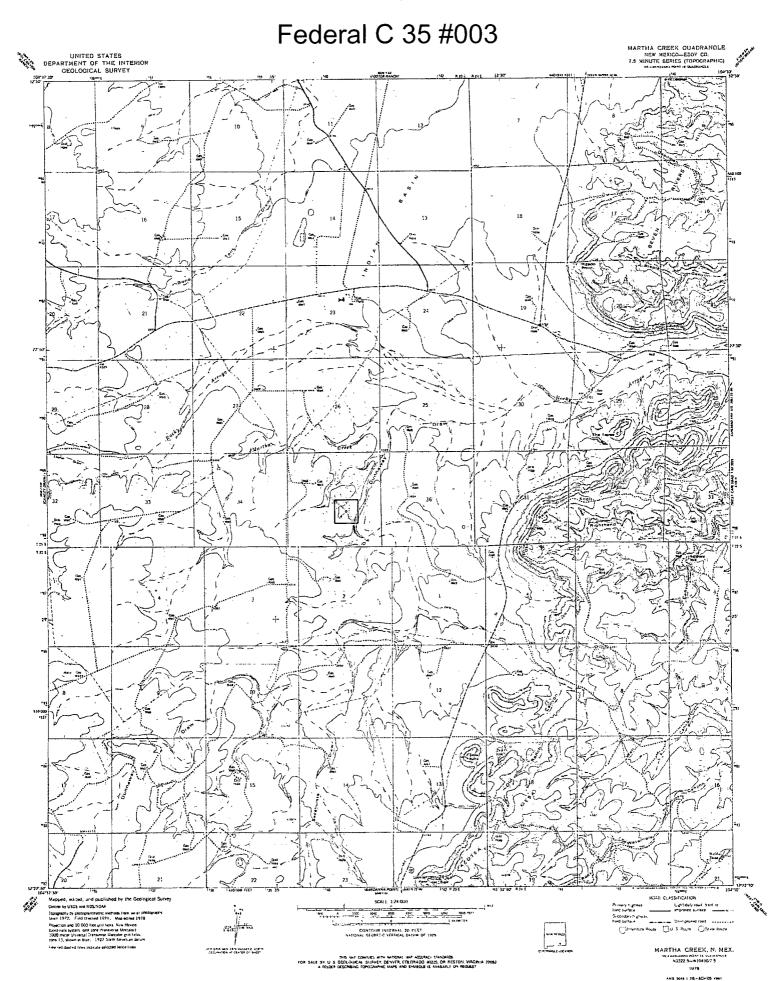
o OCD

OUSGS

o seo

All Databases

Oxy



Laboratory Analytical Results Summary Federal C-35 #003

		Sample SP1		SP1 @ 1.5'	SP1 @ 2'3"	
Analyte	Method	Date	11/12/12	11/12/12 11/14/12		
	ĺ		mg/Kg	mg/Kg	mg/Kg	
Benzene	BTEX 8021B		N/A	N/A	<0.050	
Toluene	BTEX 8021B		N/A	N/A	<0.050	
Ethylbenzene	BTEX 8021B		N/A	N/A	<0.050	
Total Xylenes	BTEX 8021B		N/A	N/A N/A		
Total BTEX	BTEX 8021B		N/A	N/A	< 0.300	
Chloride	SM4500CI-B		1340	1250	16	
GRO	TPH 8015M		· N/A	N/A	<10.0	
DRO	TPH 8015M		N/A	N/A	<10.0	

		Sample	SP2@ SURFACE	SP2 @ 1.5'	SP2 @ 2'3"
Analyte	Method	Date	11/12/12	11/12/12	11/14/12
		ŀ	mg/Kg mg/Kg		mg/Kg
Benzene	BTEX 8021B	ŀ	N/A	N/A	N/A
Toluene	BTEX 8021B		N/A	N/A	N/A
Ethylbenzene	BTEX 8021B		N/A	N/A	N/A
Total Xylenes	BTEX 8021B		N/A	N/A	N/A
Total BTEX	BTEX 8021B		N/A	N/A	N/A
Chloride	SM4500CI-B		400	2000	16
GRO	TPH 8015M		N/A	N/A	N/A
DRO	TPH 8015M		N/A	N/A	N/A

	T					
		Sample	SP3@ SURFACE	SP3 @ 2'	SP3 @ 3.5'	
Analyte	Method	Date	11/12/12	11/12/12	11/14/12	
			mg/Kg	mg/Kg	mg/Kg	
Benzene	BTEX 8021B		N/A	N/A	<0.050	
Toluene	BTEX 8021B		N/A	N/A	<0.050	
Ethylbenzene	BTEX 8021B		N/A	N/A	<0.050	
Total Xylenes	BTEX 8021B		N/A	N/A	<0.150	
Total BTEX	BTEX 8021B	•	N/A	N/A	<0.300	
Chloride	SM4500CI-B	ļ	336	320	16	
GRO	TPH 8015M		N/A	N/A	<10.0	
DRO	TPH 8015M		N/A	N/A	<10.0	

	s		SP4@ SURFACE	SP4 @ 2'	SP4 @ 2.5'
Analyte	Method	Date	11/12/12	11/12/12	11/14/12
			mg/Kg	mg/Kg	mg/Kg
Benzene	BTEX 8021B	T	N/A	N/A	N/A
Toluene	BTEX 8021B		N/A	N/A	N/A
Ethylbenzene	BTEX 8021B	1	N/A	N/A	N/A
Total Xylenes	BTEX 8021B		N/A	N/A	N/A
Total BTEX	BTEX 8021B		N/A	N/A	N/A
Chloride	SM4500CI-B		1040	336	16
GRO	TPH 8015M	1	N/A	N/A	N/A
DRO	TPH 8015M		N/A	N/A	N/A



November 20, 2012

Cliff Brunson

BBC International, Inc.

P.O. Box 805

Hobbs, NM 88241

RE: FEDERAL C-35 #003

Enclosed are the results of analyses for samples received by the laboratory on 11/15/12 10:00.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab accredited certif.html.

Cardinal Laboratories is accreditated through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2 Haloacetic Acids (HAA-5)
Method EPA 524.2 Total Trihalomethanes (TTHM)
Method EPA 524.4 Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

Celeg & Keene

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



BBC International, Inc. Cliff Brunson P.O. Box 805 Hobbs NM, 88241

Fax To:

(505) 397-0397

Received: Reported: 11/15/2012

11/20/2012

Reporting Limit

16.0

Project Name:

FEDERAL C-35 #003

Project Number: Project Location:

Analyte

Chloride

Result

1250

NONE GIVEN

EDDY COUNTY, NM

Sampling Date:

BS

416

% Recovery

104

11/12/2012

Sampling Type:

Soil

Sampling Condition: Sample Received By: Cool & Intact

RPD

0.00

Qualifier

Jodi Henson

True Value QC

400

Sample ID: SP 1 @ SURFACE (H202773-01)

Chloride, SM4500CI-B	mg/	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	1340	16.0	11/19/2012	ND	416	104	400	0.00	
Sample ID: SP 1 @ 1.5' ((H202773-02)								
Chloride, SM4500CI-B	mg/	kg	Analyze	d By: AP					

Method Blank

ND

Analyzed

11/19/2012

BTEX 8021B	mg/	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	11/17/2012	ND	1.66	83.0	2.00	10.7	
Toluene*				ND	1.96	97.9	2.00	10.7	
Ethylbenzene*				ND	2.00	100	2.00	11.0	
Total Xylenes*	<0.150 0.150		11/17/2012	ND	6.04	101	6.00	11.2	
Total BTEX	<0.300	0.300	11/17/2012	ND					
Surrogate: 4-Bromofluorobenzene (PIL	118 9	6 89.4-120	5						
Chloride, SM4500CI-B	mg/	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	16.0 16.0		11/19/2012	ND	416	104	400	0.00	
TPH 8015M	mg/	kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier

Cardinal Laboratories

*=Accredited Analyte

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Celeg D. Keene

Celey D. Keene, Lab Director/Quality Manager



BBC International, Inc. Cliff Brunson P.O. Box 805 Hobbs NM, 88241

Fax To: (505) 397-0397

Received:

11/15/2012

Sampling Date:

11/14/2012

Reported:

11/20/2012

Sampling Type:

Soil

Project Name:

FEDERAL C-35 #003

Sampling Condition:

Cool & Intact

Project Number:

NONE GIVEN

Sample Received By:

Jodi Henson

Project Location:

EDDY COUNTY, NM

Sample ID: SP 1 @ 2'3" (H202773-03)

TPH 8015M	mg	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	11/16/2012	ND	191	95.3	200	1.29	
DRO >C10-C28 <		10.0	11/16/2012	ND	206	103	200	1.52	
Surrogate: 1-Chlorooctane	80.0	% 65.2-14	0						
Surrogate: 1-Chlorooctadecane	86.4	% 63.6-15	4						

Sample ID: SP 2 @ SURFACE (H202773-04)

Chloride, SM4500Cl-B	mg,	/kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride 400		16.0	11/19/2012	ND	416	104	400	0.00	
Sample ID: SP 2 @ 1.5'	(H202773-05))							
Chloride, SM4500Cl-B	mg	/kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	2000	16.0	11/19/2012	ND	416	104	400	0.00	
Sample ID: SP 2 @ 2' 3"	(H202773-06	5)							
Chloride, SM4500CI-B	mg	/kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	16.0	16.0	11/19/2012	ND	416	104	400	0.00	

Cardinal Laboratories

*=Accredited Analyte

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Celey & Keine



BBC International, Inc. Cliff Brunson P.O. Box 805

Hobbs NM, 88241

Fax To:

(505) 397-0397

Received:

11/15/2012

Sampling Date:

11/12/2012

Reported:

11/20/2012

Sampling Type:

Soil

Project Name:

FEDERAL C-35 #003

Sampling Condition:

Cool & Intact

Project Number:

NONE GIVEN

Sample Received By:

Jodi Henson

Project Location:

EDDY COUNTY, NM

Sample ID: SP 3 @ SURFACE (H202773-07)

Chloride, SM4500Cl-B

mg/kg

Analyzed By: AP

Analyte

Result

Analyzed

Method Blank

BS

% Recovery 104

True Value QC

Qualifier

Oualifier

Chloride

336

16.0

Reporting Limit

11/19/2012

ND

416

400

RPD

0.00

Sample ID: SP 3 @ 2' (H202773-08)

Chloride, SM4500CI-B

Analyzed By: AP

Analyte Result Reporting Limit Analyzed Method Blank BS RPD % Recovery True Value QC Chloride 320 16.0 11/19/2012 ND 416 104 400 0.00

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keine

Celey D. Keene, Lab Director/Quality Manager



BBC International, Inc. Cliff Brunson P.O. Box 805 Hobbs NM, 88241

Fax To: (505) 397-0397

Received:

11/15/2012

Sampling Date:

11/14/2012

Reported:

BTEX 8021B

11/20/2012

Sampling Type:

Soil

200

1.52

Project Name:

FEDERAL C-35 #003

Sampling Condition:

Cool & Intact

Project Number:

NONE GIVEN

Sample Received By:

Jodi Henson

Project Location:

EDDY COUNTY, NM

mg/kg

<10.0

86.8 %

97.3 %

10.0

65.2-140

63.6-154

Sample ID: SP 3 @ 3.5' (H202773-09)

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	11/17/2012	ND	1.66	83.0	2.00	10.7	
Toluene*	< 0.050	0.050	11/17/2012	ND	1.96	97.9	2.00	10.7	
Ethylbenzene*	<0.050	0.050	11/17/2012	ND	2.00	100	2.00	11.0	
Total Xylenes*	<0.150	0.150	11/17/2012	ND	6.04	101	6.00	11.2	
Total BTEX	<0.300	0.300	11/17/2012	ND					
Surrogate: 4-Bromofluorobenzene (PIL	120	% 89.4-12	6						
Chloride, SM4500CI-B	mg,	/kg	Analyze	d By: AP					_
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	16.0	16.0	11/19/2012	ND	416	104	400	0.00	
ТРН 8015М	mg,	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	11/16/2012	ND	191	95.3	200	1.29	

Analyzed By: AP

Sample ID: SP 4 @ SURFACE (H202773-10)

Chloride, SM4500CI-B	mg	/kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	1040	16.0	11/19/2012	ND	416	104	400	0.00	

ND

206

103

11/16/2012

Cardinal Laboratories

DRO >C10-C28

Surrogate: I-Chlorooctane

Surrogate: 1-Chlorooctadecane

*=Accredited Analyte

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Celey D. Keine



BBC International, Inc. Cliff Brunson P.O. Box 805 Hobbs NM, 88241

Fax To: (505) 397-0397

Received:

11/15/2012

Sampling Date:

11/12/2012

Reported:

11/20/2012

Sampling Type:

Soil

Project Name:

FEDERAL C-35 #003

Sampling Condition:

Cool & Intact

Project Number:

NONE GIVEN

Sample Received By:

Jodi Henson

Project Location:

Analyte

Analyte

EDDY COUNTY, NM

Sample ID: SP 4 @ 2' (H202773-11) Chloride, SM4500Cl-B

mg/kg

Analyzed By: AP

% Recovery

True Value QC

RPD

Chloride

Result 336

16.0 11/19/2012

Analyzed

Analyzed

Reporting Limit

Reporting Limit

Method Blank ND

BS 416

104

400

Qualifier

Sample ID: SP 4 @ 2.5' (H202773-12)

Chloride, SM4500CI-B

Analyzed By: AP

Method Blank

% Recovery

True Value QC

Chloride

Result 16.0

16.0 11/20/2012

ND

BS 400

100

400

RPD

0.00

Qualifier 0.00

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene Celey D. Keene, Lab Director/Quality Manager

Page 6 of 9



Notes and Definitions

ND Analyte NOT DETECTED at or above the reporting limit

RPD Relative Percent Difference

** Samples not received at proper temperature of 6°C or below.

*** Insufficient time to reach temperature.

Chloride by SM4500Cl-B does not require samples be received at or below 6°C

Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories *=Accredited Analyte

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Celeg D. Freene

ARDINAL LABORATORIES 101 East Marland, Hobbs, NM 88240

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

10f2

(505) 393-2326 FAX (505) 393-2476																									
Company Name	BBC International, Inc.							16.			BI	1470		ANALYSIS REQUEST											
Project Manager	: Cliff Brunson							P	.O. i																
Address: P.O.	Box 805							c	Company:																
City: Hobbs	State: NM	Zip	: 8	82	41			A	ttn:															I	
Phone #: 575-397-6388 Fax #: 575-397-0397					Δ	ddr	ess	:																	
Project #: Project Owner: ^{Oxy}						c	ity:	-																	
Project Name: Federal C-35 #003					9	tate	::		Zip:																
Project Location: Eddy County, NM					F	hor	ne#	:																	
Sampler Name: Jeff Ornelas						F	ax #	# :																	
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† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

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CHAIN-OF-CUSTODY AND ANALYSIS REQUEST 2 0 2

RDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 (505) 393-2326 FAX (505) 393-2476

company Name: BBC International, Inc.								B	IL	L 70	1.	ANALYSIS REQUEST										
Project Manager	: Cliff Brunson					P	0. ‡															
Address: P.O.	Box 805					c	omp	pany:														
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Kathy Purvis

From: Bratcher, Mike, EMNRD < mike.bratcher@state.nm.us>

Sent: Tuesday, January 15, 2013 9:37 AM

To: Cliff P. Brunson

Cc: Chris Jones; Ken Swinney; Jennifer Gilkey; Kathy Purvis

Subject: RE: Oxy Federal C 35 #003

Reference: OXY USA * Federal C 35 – 3 * 30-015-30619 * J-35-21s-23e * Eddy County, New Mexico

NMOCD Tracking Number: 2RP-1320 * Date of release: 9/21/12

Cliff,

Your proposal for remediation of the above referenced release is approved. This site is situated on federal surface and may require like approval by BLM.

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

If you have any questions or concerns, please contact me.

Mike Bratcher NMOCD District 2 811 S. First Street Artesia, NM 88210 O: 575-748-1283 X108

C: 575-626-0857 F: 575-748-9720

From: Cliff P. Brunson [mailto:cbrunson@bbcinternational.com]

Sent: Monday, December 17, 2012 6:58 PM

To: Bratcher, Mike, EMNRD

Cc: Chris Jones; Ken Swinney; Jennifer Gilkey; Kathy Purvis

Subject: Oxy Federal C 35 #003

Mike,

This e-mail is to confirm our discussion on December 17, 2012 concerning the remediation plan for the release that occurred at the Oxy Federal C 35 #003. I have attached the site drawing and the summary of the laboratory data we reviewed during our discussion for your files. As agreed, Oxy will excavate 1.5 feet across the entire impacted area as depicted on the attached site diagram. The excavation will then be backfilled with clean soil. The depth to groundwater is this area is approximately 150 feet.

If you would please reply back via e-mail with your concurrence of this remediation plan, it would be greatly appreciated.

Oxy and I thank you for your assistance in handling this matter.

Thanks, Cliff

Cliff P. Brunson, CEI, CRS
President
BBC International, Inc.
World-Wide Environmental Specialists
Mailing Address:
P. O. Box 805
Hobbs, NM 88241-0805 USA
Shipping Address:
1324 W. Marland St.
Hobbs, NM 88240 USA
Phone: (575) 397-6388
Fax: (575) 397-0397

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Kathy Purvis

From: Cliff P. Brunson <cbrunson@bbcinternational.com>

Sent: Wednesday, January 30, 2013 4:02 PM

To: Kathy Purvis

Subject: FW: Undesirable Event: NU12219TG, Federal C 35 3: cleanup plan approval stips

Cliff P. Brunson, CEI, CRS
President
BBC International, Inc.
World-Wide Environmental Specialists
Mailing Address:
P. O. Box 805
Hobbs, NM 88241-0805 USA
Shipping Address:
1324 W. Marland St.
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Phone: (575) 397-6388
Fax: (575) 397-0397

E-Mail: cbrunson@bbcinternational.com

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From: Terry Gregston < tgregsto@blm.gov > Date: Wednesday, January 30, 2013 3:20 PM

To: James Amos <<u>iamos@blm.gov</u>>, Chris Jones <<u>Christopher Jones@oxy.com</u>>, Ken Swinney <<u>kswinney@bbcinternational.com</u>>, Mike Bratcher <<u>mike.bratcher@state.nm.us</u>>, Cliff Brunson

<cbrunson@bbcinternational.com>

Subject: Undesirable Event: NU12219TG, Federal C 35 3: cleanup plan approval stips

Gentlemen,

This notification is in regard to the following location and undesirable event:

Event Number: NU12219TG Event Date: 9/21/2012 Event Name: Federal C 35 3 Legals: T21S/R23E, sec. 35, NWSE

The submitted cleanup plan for the above location is approved with the following conditions of approval:

Notification Stipulations:

- 1. A copy of the cleanup plan and conditions of approval must be given to the contractor or site work personnel and be present on the location during all cleanup operations.
- 2. The authorized officer must be notified at the following phases of cleanup or conditions:
 - a. Prior to moving equipment on location for cleanup
 - b. When the excavation is nearing completion and a BLM inspection of the excavation or witnessing of sampling is required by the cleanup plan COA's.

- c. When the cleanup work is nearing completion and to schedule a final onsite prior to removal of equipment.
- d. Three days before the site is seeded.
- e. Any time that a variance of the approved plan or conditions of approval is required.
- f. In the event that you encounter excavation difficulties, unexpected void areas, or archeological artifacts the Authorized Officer must be contacted immediately. An onsite may be required to assess the situation.
- 3. The authorized officer on this undesirable event case is:

Terry Gregston (575) 361-2635 tgregsto@blm.gov

Plan Implementation:

1. Cleanup actions must be initiated within 30 days of plan approval.

Special Stipulations:

- 1. The mechanical and/or maintenance problem that causes the compressor sump to overflow must be addressed. Spillage associated with overflowing sump on the compressor will be picked up and hauled off; bottom of sump excavation will be sampled for BTEX, TPH. Excavation will be left open for inspection; samples will be forwarded to a third party lab for analysis; and lab analysis will be forwarded to the BLM for approval prior to closure.
- 2. Disconnected pipage and equipment in pasture must be picked up and hauled to an authorized landfill; all trash will be picked up and removed.
- 3. All load line and chemical barrel catchments must be properly netted.
- 4. All of the above stipulations are standard compliance requirements and are subject to issuance of Incidents of Noncompliance. Operator is strongly encouraged to place a liner under all compressor installations, particularly in critical and high cave/karst areas. This location is in a high cave/karst area.

Road Cleanup Stipulations:

- 1. The BLM requires horizontal cleanup of the spill impacted areas in addition to vertical cleanup/mitigation measures.
- 2. The BLM may wish to inspect the excavation once it reaches cleanup depth/width. Confirmation samples of excavation sidewalls and any visibly affected areas outside of the excavation trench will be required; the BLM may witness the sampling. Contact the authorized officer to schedule.
- 3. Lab analysis of the confirmation sampling must be forwarded to the authorized officer for final approval before backfilling. Based on the sampling results, additional cleanup may be required or the site may be approved for closure.
- 4. Once final approval of cleanup is given, the excavation can be backfilled with clean soil to the level of the original native contour plus enough loft to accommodate the settling and compaction of unconsolidated fill soils.
- 5. Road areas should be resurfaced with 6" of clean caliche on top of the backfill material.

Pasture Impacted Areas:

- 1. The BLM requires horizontal cleanup of the spill impacted areas in addition to vertical cleanup/mitigation measures.
- 2. The BLM may wish to inspect the excavation once it reaches cleanup depth/width. Confirmation samples of excavation sidewalls and any visibly affected areas outside of the excavation trench will be required; the BLM may witness the sampling. Contact the authorized officer to schedule.
- 3. Lab analysis of the confirmation sampling must be forwarded to the authorized officer for final approval before backfilling. Based on the sampling results, additional cleanup may be required or the site may be approved for closure.
- 4. Once final approval of cleanup is given, the excavation can be backfilled with clean soil to the level of the original native contour plus enough loft to accommodate the settling and compaction of unconsolidated fill soils.
- 5. The top 1 feet of the backfill material must be topsoil similar to that in the surrounding native terrain.
- 6. If pastures are not contaminated but are impacted by cleanup operations, the impacts to the pasture areas will mitigated by recontouring the impacted areas and restoring the surface as listed in items 7 through 9 of this section.
- 7. Install erosion control measures in the pasture-affected areas to prevent the unconsolidated reclamation materials from washing or blowing away until reclaimed areas settle and begin to revegetate.
- 8. Rip and seed reclaimed and equipment-impacted pasture areas with BLM seed mix #3 and #4, 50/50 mix.
- 9. Barricade reclaimed pasture areas with fencing or an earthen barrier sufficient to prevent vehicular access throughout the length of the reclamation that faces the road.
- 10. Continue to monitor spill reclamation area to ensure impacted pasture areas revegetate and that erosion issues do not develop.

Other Stipulations:

- 1. At the time of the final onsite for this location, the production facilities, well pad, access road, and the surrounding pasture areas must be in a condition that will pass a routine inspection.
- 2. Do not bury cleanup trash, equipment debris, or household garbage in the cleanup excavation.

BLM approval of this proposal does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that may pose a threat to groundwater, surface water, human health, or the environment, or if the location fails to reclaim properly. In such an event that location does not revegetate, or future issues with contaminants are encountered, the operator will be asked to address the issues until contaminant issues are fully mitigated and the location is successfully reclaimed. In addition, BLM approval does not relieve the operator of responsibility for compliance with any other federal, state, or local laws/regulations.

Thank you for your attention to this matter,

Terry Gregston

Environmental Protection Specialist Bureau of Land Management 620 E. Greene St. Carlsbad, NM 88220 Office (575) 234-5958 Cell (575) 361-2635 Fax (575) 234-5927

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