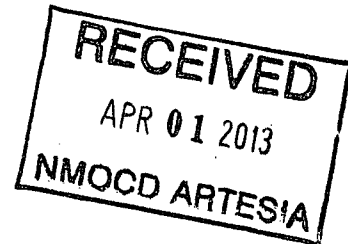
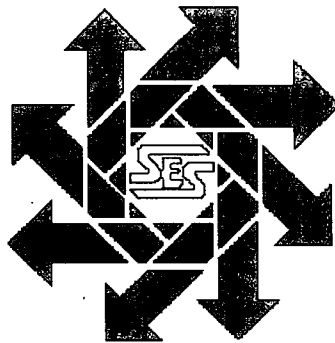


**OXY Permian
Eeyore 34 State #1
Delineation Report and Work Plan**

**Section 24, T17S, R28E
Eddy County, New Mexico**

January 24, 2013



Prepared for:

***Oxy Permian
P.O. Box 1988
Carlsbad, New Mexico 88221***

By:

**Safety & Environmental Solutions, Inc.
703 East Clinton Street
Hobbs, New Mexico 88240
(575) 397-0510**

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I. Company Contacts

Representative	Company	Telephone	E-mail
Chris Jones	Oxy Permian	575-625-4121	Christopher_Jones@oxy.com
Bob Allen	SESI	575-397-0510	ballen@sesi-nm.com

II. Background

Safety and Environmental Solutions, Inc. (SESI) was engaged by Oxy Permian Company to perform site assessment of a release area at the Eeyore 34 State 001 located in Section 24 of Township 17 South, Range 28 East, Eddy County, New Mexico.

According to the C-141, the cause of the release was due to the valve on a rental frac tank was not closed properly. Approximately 103 barrels (bbls) of produced water was released.

III. Surface and Ground Water

The nearest groundwater of record is approximately 1.3 miles north of the site. The United States Geological Survey record is in Section 22 Range 28 East and Township 17 South. The reported depth was 79 feet below ground surface (bgs).

IV. Work Performed

On November 14, 2012, SESI was onsite at the OXY Eeyore 34 State #1 for a site assessment. The release area was mapped utilizing a Trimble Juno 3D. A total of 5 auger holes were installed to obtain vertical extent of contamination. Refusal on all auger holes was found at one foot depths. There were four (4) Frac Tanks on site where the release occurred and staining was observed underneath the Frac Tanks. Frac tanks will have to be moved for further delineation.

On January 16, 2013, SESI was onsite at the OXY Eeyore 34 State #1 with Alfredo's Trucking Back hoe with an operator to install test trenches to determine vertical extent of contamination. JSA and safety meeting were conducted. Five test trenches were installed and soil samples were obtained at one foot intervals. The samples were properly packaged, preserved and transported to Cardinal Laboratories, Hobbs NM and analyzed for chlorides (SM4500Cl-B), Benzene, Toluene, Ethyl benzene, Total Xylenes, (BTEX)(EPA method 8021B), and Total petroleum hydrocarbon (TPH) (method 418.1). The results of the analysis are presented in the table below:

Sample ID	Lab Cl ⁻ (mg/kg)	Lab TPH 418.1 (mg/kg)	Lab Benzene (mg/kg)	Lab Toluene (mg/kg)	Lab Ethyl benzene (mg/kg)	Lab Xylenes (mg/kg)
TT-1: 1' bgs	128	-	-	-	-	-
TT-1: 2' bgs	32.0	<100	<0.050	<0.050	<0.050	<0.150
TT-2: 1' bgs	2,240	-	-	-	-	-
TT-2: 2' bgs	144	<100	<0.050	<0.050	<0.050	<0.150
TT-3: 1' bgs	4,880	-	-	-	-	-
TT-3: 2' bgs	64.0	<100	<0.050	<0.050	<0.050	<0.150
TT-4: 1' bgs	1,070	-	-	-	-	-
TT-4: 2' bgs	816	-	-	-	-	-
TT-4: 3' bgs	48.0	<100	<0.050	<0.050	<0.050	<0.150

TT-5: 1' bgs	416	-	-	-	-	-
TT-5: 2' bgs	16,000	-	-	-	-	-
TT-5: 3' bgs	13,000	-	-	-	-	-
TT-5: 4' bgs	4,400	-	-	-	-	-
TT-5: 6' bgs	224	<100	<0.050	<0.050	<0.050	<0.150

The release area and test trench sample points were mapped using the Trimble Juno 3D and site photos were taken.

V. Action Plan

The results of the analysis indicate that the vertical extent of contamination was found in all test trenches at a depth of two (2) ft. bgs in TT 1-3, at three (3) ft. bgs in TT-4 and at six (6) ft. bgs in TT-5. It is proposed that the most highly contaminated and/or saturated soils be excavated, which in this case, TT 1-3 area be excavated to a depth of 1.5 ft. bgs; TT 4 area to a depth of 2.5 ft. bgs; and TT-5 area to a depth of 5 ft. The excavated soils will be transported to a New Mexico Oil Conservation Division (NMOCD) approved facility for disposal. The excavations will then be backfilled with clean caliche and compacted to the original pad elevation.

This is an active tank battery and the operator is fully aware that at such time the battery and lease is abandoned, additional cleanup may be required.

Upon completion a closure report will be submitted to the NMOCD.

VI. Figures & Appendices

Figure 1 – Vicinity Map

Figure 2 – Site Plan

Appendix A – Analytical Results

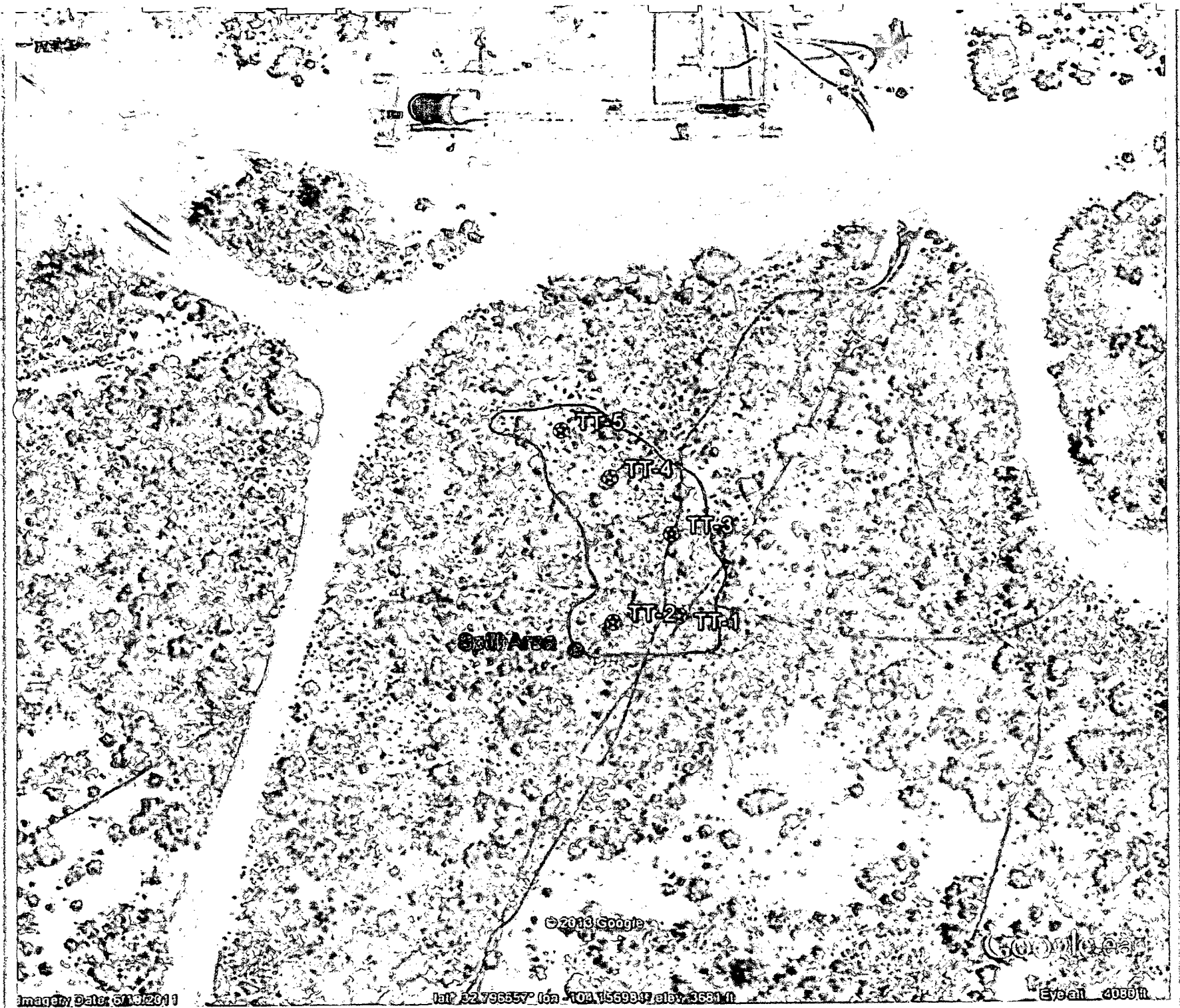
Appendix B—Site Photographs

Appendix C – C-141

Figure 1
Vicinity Map

Copyright (C) 2008, MyTopo

Figure 2 Site Plan



Imagery Date: 5/13/2011

Lat: 22.796557 Lon: -109.756997 elev: 3634 ft

Elev: 4080 ft

Appendix A

Analytical Results

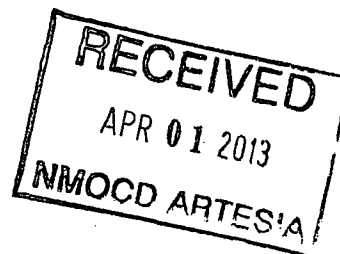
January 24, 2013

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240



RE: EEYORE 34 STATE #1

Enclosed are the results of analyses for samples received by the laboratory on 01/18/13 8:00.

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_accred_certif.html.

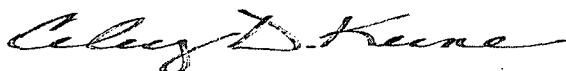
Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

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.

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

Analytical Results For:

 Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	01/18/2013	Sampling Date:	01/16/2013
Reported:	01/24/2013	Sampling Type:	Soil
Project Name:	EEYORE 34 STATE #1	Sampling Condition:	Cool & Intact
Project Number:	OXY-12-018	Sample Received By:	Jodi Henson
Project Location:	LOCO HILLS, EDDY COUNTY		

Sample ID: TT - 1 1' BGS (H300137-01)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	128	16.0	01/22/2013	ND	448	112	400	3.64	

Sample ID: TT - 1 2' BGS (H300137-02)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/22/2013	ND	1.94	97.1	2.00	17.4		
Toluene*	<0.050	0.050	01/22/2013	ND	1.93	96.6	2.00	16.7		
Ethylbenzene*	<0.050	0.050	01/22/2013	ND	1.94	97.0	2.00	17.0		
Total Xylenes*	<0.150	0.150	01/22/2013	ND	5.92	98.7	6.00	16.8		
Total BTEX	<0.300	0.300	01/22/2013	ND						

Surrogate: 4-Bromofluorobenzene (PIL) 104 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	32.0	16.0	01/22/2013	ND	448	112	400	3.64		

TPH 418.1		mg/kg		Analyzed By: CK						
Analyte		Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1		<100	100	01/24/2013	ND	2100	84.0	2500	3.28	

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* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 Safety & Environmental Solutions
 Bob Allen
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Received:	01/18/2013	Sampling Date:	01/16/2013
Reported:	01/24/2013	Sampling Type:	Soil
Project Name:	EEYOORE 34 STATE #1	Sampling Condition:	Cool & Intact
Project Number:	OXY-12-018	Sample Received By:	Jodi Henson
Project Location:	LOCO HILLS, EDDY COUNTY		

Sample ID: TT - 2 1' BGS (H300137-03)

Chloride, SM4500Cl-B		.mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	2240	16.0	01/22/2013	ND	448	112	400	3.64		

Sample ID: TT - 2 2' BGS (H300137-04)

BTEX 8021B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	01/22/2013	ND	1.94	97.1	2.00	17.4	
Toluene*	<0.050	0.050	01/22/2013	ND	1.93	96.6	2.00	16.7	
Ethylbenzene*	<0.050	0.050	01/22/2013	ND	1.94	97.0	2.00	17.0	
Total Xylenes*	<0.150	0.150	01/22/2013	ND	5.92	98.7	6.00	16.8	
Total BTEX	<0.300	0.300	01/22/2013	ND					

Surrogate: 4-Bromofluorobenzene (PIC) 102 % 89.4-126

Chloride, SM4500CI-B			mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	144	16.0	01/22/2013	ND	448	112	400	3.64		

TPH 418.1		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	01/24/2013	ND	2100	84.0	2500	3.28	

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Celey D. Keene, Lab Director/Quality Manager

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 Received: 01/18/2013
 Reported: 01/24/2013
 Project Name: EEYORE 34 STATE #1
 Project Number: OXY-12-018
 Project Location: LOCO HILLS, EDDY COUNTY

 Sampling Date: 01/16/2013
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: TT - 3 1' BGS (H300137-05)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	4880	16.0	01/22/2013	ND	448	112	400	3.64		

Sample ID: TT - 3 2' BGS (H300137-06)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/22/2013	ND	1.94	97.1	2.00	17.4		
Toluene*	<0.050	0.050	01/22/2013	ND	1.93	96.6	2.00	16.7		
Ethylbenzene*	<0.050	0.050	01/22/2013	ND	1.94	97.0	2.00	17.0		
Total Xylenes*	<0.150	0.150	01/22/2013	ND	5.92	98.7	6.00	16.8		
Total BTEX	<0.300	0.300	01/22/2013	ND						

Surrogate: 4-Bromofluorobenzene (PIC) 102 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	64.0	16.0	01/22/2013	ND	448	112	400	3.64		

TPH 418.1		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	01/24/2013	ND	2100	84.0	2500	3.28	

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Received: 01/18/2013
Reported: 01/24/2013
Project Name: EEYORE 34 STATE #1
Project Number: OXY-12-018
Project Location: LOCO HILLS, EDDY COUNTY

Sampling Date: 01/16/2013
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: TT - 4 1' BGS (H300137-07)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	1070	16.0	01/22/2013	ND	448	112	400	3.64	

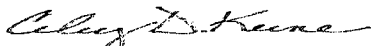
Sample ID: TT - 4 2' BGS (H300137-08)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	816	16.0	01/22/2013	ND	448	112	400	3.64	

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 Received: 01/18/2013
 Reported: 01/24/2013
 Project Name: EEYORE 34 STATE #1
 Project Number: OXY-12-018
 Project Location: LOCO HILLS, EDDY COUNTY

 Sampling Date: 01/16/2013
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: TT - 4 3' BGS (H300137-09)

BTEX 8021B			mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/22/2013	ND	1.94	97.1	2.00	17.4		
Toluene*	<0.050	0.050	01/22/2013	ND	1.93	96.6	2.00	16.7		
Ethylbenzene*	<0.050	0.050	01/22/2013	ND	1.94	97.0	2.00	17.0		
Total Xylenes*	<0.150	0.150	01/22/2013	ND	5.92	98.7	6.00	16.8		
Total BTEX	<0.300	0.300	01/22/2013	ND						

Surrogate: 4-Bromofluorobenzene (PIC) 102 % 89.4-126

Chloride, SM4500Cl-B			mg/kg							Analyzed By: AP	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
Chloride	48.0	16.0	01/22/2013	ND	448	112	400	3.64			

TPH 418.1			mg/kg							Analyzed By: CK	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
TPH 418.1	<100	100	01/24/2013	ND	2100	84.0	2500	3.28			


Sample ID: TT - 5 1' BGS (H300137-10)

Chloride, SM4500Cl-B			mg/kg							Analyzed By: AP	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
Chloride	416	16.0	01/22/2013	ND	448	112	400	3.64			

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Analytical Results For:

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Bob Allen
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Hobbs NM, 88240
Fax To: (575) 393-4388

Received: 01/18/2013
Reported: 01/24/2013
Project Name: EEYORE 34 STATE #1
Project Number: OXY-12-018
Project Location: LOCO HILLS, EDDY COUNTY

Sampling Date: 01/16/2013
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: TT - 5 2' BGS (H300137-11)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	16000	16.0	01/22/2013	ND	448	112	400	3.64	

Sample ID: TT - 5 3' BGS (H300137-12)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	13000	16.0	01/22/2013	ND	448	112	400	3.64	

Sample ID: TT - 5 4' BGS (H300137-13)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	4400	16.0	01/22/2013	ND	448	112	400	3.64	

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 Received: 01/18/2013
 Reported: 01/24/2013
 Project Name: EEYORE 34 STATE #1
 Project Number: OXY-12-018
 Project Location: LOCO HILLS, EDDY COUNTY

 Sampling Date: 01/16/2013
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: TT - 5 6' BGS (H300137-14)

BTEX 8021B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	01/22/2013	ND	1.94	97.1	2.00	17.4	
Toluene*	<0.050	0.050	01/22/2013	ND	1.93	96.6	2.00	16.7	
Ethylbenzene*	<0.050	0.050	01/22/2013	ND	1.94	97.0	2.00	17.0	
Total Xylenes*	<0.150	0.150	01/22/2013	ND	5.92	98.7	6.00	16.8	
Total BTEX	<0.300	0.300	01/22/2013	ND					

Surrogate: 4-Bromofluorobenzene (PIE) 99.6 % 89.4-126

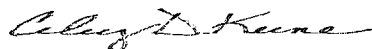
Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	224	16.0	01/22/2013	ND	448	112	400	3.64	

TPH 418.1		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	01/24/2013	ND	2100	84.0	2500	3.28	

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

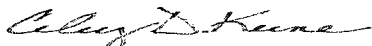
Notes and Definitions

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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Celey D. Keene, Lab Director/Quality Manager



ARDINAL LABORATORIES

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(505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 1 of 2

Company Name: Safety & Environmental Solutions, Inc.				BILL TO				ANALYSIS REQUEST											
Project Manager: Rob Allen				P.O. #:				<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">TPH 4181</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">BTEX</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">CHLORIDES</div> </div>											
Address: 703 East Clinton				Company: Same															
City: Hobbs State: NM Zip: 88240				Attn:															
Phone #: 575-397-0510 Fax #: 575-393-4388				Address:															
Project #: 04-12-018 Project Owner: OKY				City:															
Project Name: Eeyore 34 State #1				State: Zip:															
Project Location: Loco Hills Eddy Co				Phone #:															
Sampler Name: Jose L. Jarama				Fax #:															
FOR LAB USE ONLY																			
Lab I.D.		Sample I.D.		CONTAINERS		MATRIX		PRESERV		SAMPLING									
				#CONTAINERS		GROUNDWATER WASTEWATER SOIL OIL SLUDGE OTHER:		ACID/BASE ICE / COOL OTHER:		DATE TIME									
H300134				1		X		X		01/16 0920									
1 TT-1 1' BGS		G 1		X		X		X		01/16 0940		X							
2 TT-1 2' BGS		G 1		X		X		X		01/16 1000		X							
3 TT-2 1' BGS		G 1		X		X		X		01/16 1020		X							
4 TT-2 2' BGS		G 1		X		X		X		01/16 1040		X							
5 TT-3 1' BGS		G 1		X		X		X		01/16 1000		X							
6 TT-3 2' BGS		G 1		X		X		X		01/16 1125		X							
7 TT-4 1' BGS		G 1		X		X		X		01/16 1150		X							
8 TT-4 2' BGS		G 1		X		X		X		01/16 1300		X							
9 TT-4 3' BGS		G 1		X		X		X		01/16 1320		X							
10 TT-5 1' BGS		G 1		X															

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Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

Sampler Relinquished By: <i>Jose L. Jarama</i>		Date: <i>01/16/13</i> Time: <i>0900</i>	Received By: <i>Scott Henderson</i>		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
Relinquished By:		Date:	Received By:		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Delivered By: (Circle One) Sampler - UPS - Bus - Other:		Temp: <i>1.9°C</i>	Sample Condition Cool - Initial <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Refrigerated <input type="checkbox"/> Yes <input type="checkbox"/> No	CHECKED BY: <i>JA</i>	REMARKS:	

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.

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CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 2 of 2

Company Name: Safety & Environmental Solutions, Inc.				BILL TO				ANALYSIS REQUEST																					
Project Manager: Bob Allen				P.O. #:				<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> TPH (4/18/1) BTEX CHLORIDES </div> <div style="width: 60%;"></div> </div>																					
Address: 703 East Clinton				Company: Same																									
City: Hobbs State: NM Zip: 88240				Attn:																									
Phone #: 575-397-0510 Fax #: 575-393-4388				Address:																									
Project #: OXY-12-018 Project Owner: OXY				City:																									
Project Name: Ecycore 34 State #1				State: Zip:																									
Project Location: Wood Hills, Gray Co.				Phone #:																									
Sampler Name: Susi Jerry				Fax #:																									
FOR LAB USE ONLY																													
Lab I.D.		Sample I.D.		G/RAB OR (C)OMP		# CONTAINERS		GROUNDWATER		WASTEWATER		SOIL		OIL		SLUDGE		OTHER:		ACID/BASE		ICE/COOL		OTHER:		DATE		TIME	
H306137		11 TF-5 2' B4S		G, 1		1						X								X		01/16		1340					
		12 TF-5 3' B4S		G, 1		1						X								X		01/16		1400					
		13 TF-5 4' B4S		G, 1		1						X								X		01/16		1410					
		14 TF-5 6' B4S		G, 1		1						X								X		01/16		1445					

PLEASE NOTE: Liability and Damages. Cardinal's liability for client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analysis. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 90 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

Sampler Relinquished By: <i>Susi Jerry</i>		Date: <i>01/18/13</i>	Received By: <i>Glenn Henderson</i>		Phone Result: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
Relinquished By:		Date:	Received By:		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Time:		Time:		REMARKS:		

Delivered By: (Circle One)		Temp. <i>1.50</i>	Sample Condition	CHECKED BY: <i>[Signature]</i>
Sampler - UPS - Bus - Other:			Cool Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.

#26

Appendix B

Site Photographs



Test Trench # 1 (Facing West)



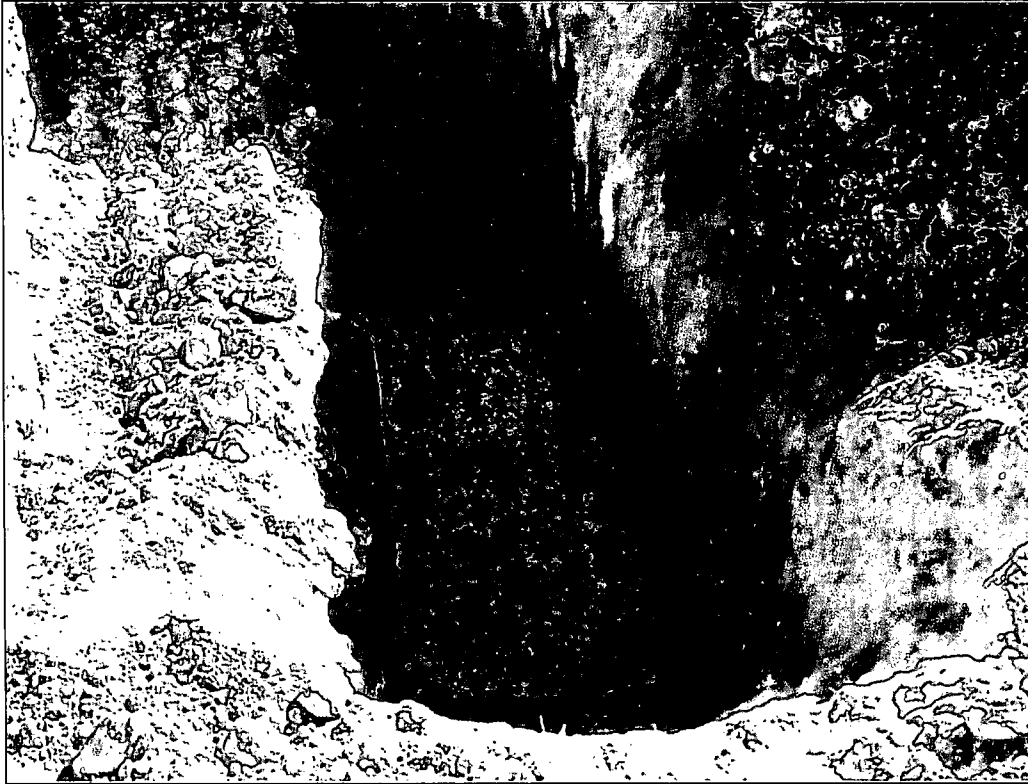
Test Trench # 2 (Facing West)



Test Trench # 3 (Facing West)



Test Trench # 4 (Facing West)



Test Trench # 5 (Facing South)



Test Trench # 1 Backfilled (Facing West)



Test Trench # 2 Backfilled (Facing West)



Test Trench # 3 Backfilled (Facing West)



Test Trench # 4 Backfilled (Facing West)



Test Trench # 5 Backfilled (Facing South)

Appendix C

C-141

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 87401
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy Minerals and Natural Resources

Form C-141
Revised August 8, 2011

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

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

RECEIVED

APR 01 2013

NMOCD ARTESIA

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: Oxy USA Inc	Contact Chris Jones
Address 1502 W. Commerce Drive	Telephone No. 575-449-3337
Facility Name: Eeyore 34 State #1	Facility Type: Producing Well

Surface Owner:	Mineral Owner	API No. 3001539383
----------------	---------------	--------------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the:	East/West Line	County
A	34	17 S	28 E	738	N	488	E	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release: 103 BBLs	Volume Recovered: 100 BBLs
Source of Release: Frac Tank	Date and Hour of Occurrence: 11/11/12 9:00 pm	Date and Hour of Discovery: 11/11/12 9:30 pm
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 Jim Amos- BLM	
By Whom? Chris Jones	Date and Hour: 11/13/12 1:00 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:*

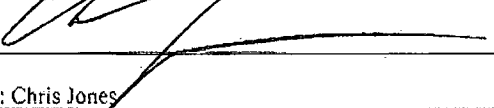
Describe Cause of Problem and Remedial Action Taken.*

A valve was properly shut on a frac tank and released produced water on the well pad. A vac truck was on site and able to get the majority of it cleaned up. It was isolated to an area on the well pad. SESI will do some initial sampling and we will come up with a plan for clean up based off of that for proposal.

Describe Area Affected and Cleanup Action Taken.*

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 Environmental Specialist:		
Printed Name: Chris Jones	Approval Date: _____ Expiration Date: _____		
Title: HES Specialist	Conditions of Approval:		
E-mail Address: Christopher.Jones@oxy.com	Attached <input type="checkbox"/>		
Date: _____ Phone: 575-449-3337			

* Attach Additional Sheets If Necessary