

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

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State of New Mexico
Energy Minerals and Natural Resources

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

API-3002529470

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 | Telephone No. (O) | 575-628-4121 C) 575-390-1903 |
| Facility Name | Corbin Queen 206 | Facility Type | Oil and Gas Well |

| | | |
|-----------------------|---------------|-----------|
| Surface Owner Federal | Mineral Owner | Lease No. |
|-----------------------|---------------|-----------|

LOCATION OF RELEASE

API 30.025.29470

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| J | 4 | 18S | 33E | | | | | LEA |

Latitude _____ Longitude _____

WTR 65'

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|------------------------------|----------------------------|---------|
| Type of Release | Produced Water | Volume of Release | 12bbls. | Volume Recovered | 2bbls. |
| Source of Release | | Date and Hour of Occurrence | | Date and Hour of Discovery | 7-17-09 |
| Was Immediate Notice Given? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | Larry Johnson (left message) | | |
| By Whom? | Rick Kerby (HES-Oxy) | Date and Hour | See above | | |
| 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.*

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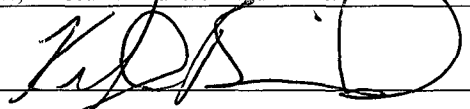
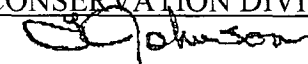

Describe Cause of Problem and Remedial Action Taken.*

Production pipe rusted and leaked fluid off location into the pasture.

Describe Area Affected and Cleanup Action Taken.*

Area affected is approx. 60 x 30 in the pasture. Will delineate and a work plan will be submitted for approval. Chloride levels are >50,000 ppm. out of the line

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: Kelton Beaird | Approved by District Supervisor  ENVIRONMENTAL ENGINEER | |
| Title: HES Specialist | Approval Date: 2.23.10 | Expiration Date: 4.23.10 |
| E-mail Address: kelton_beaird@oxy.com | Conditions of Approval: | |
| Date: 7-20-09 | SUBMIT FINAL C141 BY  Attached <input type="checkbox"/> 10.2.2435 | |

* Attach Additional Sheets If Necessary

FGRL1006056020