

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141

Revised August 8, 2011

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

JUL 08 2016

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

RECEIVED

Release Notification and Corrective Action

| | | | | | | | |
|--|--|--------|--|------------------------------|--|--|--|
| NAB11019349425 | | 192403 | | OPERATOR | | <input checked="" type="checkbox"/> Initial Report <input type="checkbox"/> Final Report | |
| Name of Company Oxy Permian Ltd. | | | | Contact Casey Summers | | | |
| Address 6 Desta Drive, Midland, TX 79705 | | | | Telephone No. (575) 513-8289 | | | |
| Facility Name Rocky Hills SWD #001 | | | | Facility Type Well | | | |
| Surface Owner BLM | | | | Mineral Owner | | API No. 30-015-30112 | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|-----------------|
| O | 19 | 21S | 24E | | | | | Eddy County, NM |

Latitude N 32.45842° Longitude W 104.53439°

NATURE OF RELEASE

| | | |
|--|---|----------------------------|
| Type of Release Produced water | Volume of Release 7 bbls | Volume Recovered 0 bbls |
| Source of Release Compromised 8" steel disposal line | Date and Hour of Occurrence 06/25/2016 | Date and Hour of Discovery |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? Mike Bratcher, Heather Patterson- NMOCD; Shelly Tucker- BLM | |
| By Whom? Kathy@ BBC International, Inc. | Date and Hour 06/27/2016 @ 2:49 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.*

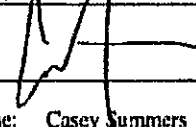
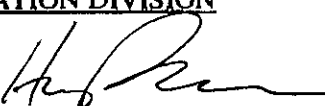
Describe Cause of Problem and Remedial Action Taken.*

A compromised 8" steel disposal line caused 7 bbls of produced water to spill. No fluids were recovered and the line was repaired.

Describe Area Affected and Cleanup Action Taken.*

The affected area is approximately 200' x 10' both on and off location. Remediation will be completed in accordance with a remediation plan approved by both 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: Casey Summers | | Approved by Environmental Specialist:  | |
| Title: NM Environmental Advisor | | Approval Date: 7/11/16 | Expiration Date: N/A |
| E-mail Address: Casey.Summers@oxy.com | | Conditions of Approval: Remediation per O.C.D. Rules & Guidelines <input type="checkbox"/> | |
| Date: 7-7-16 | Phone: (575) 513-8289 | SUBMIT REMEDIATION PROPOSAL NO | |

* Attach Additional Sheets If Necessary

LATER THAN: 8/12/16 28P-3172