

EVENT SPECIFIC JUSTIFICATIONS FORM**Facility:** South Hobbs Unit**Start Date:** 09/29/2021 @ 11:27 AM**End Date:** 09/29/2021 @ 11:33 AM**Cause:** THE SOUTH PLANT FLARED WHEN "B" TRAIN WAS SHUT DOWN TO FIX HOT VALVES ON CYLINDER #3 FIRST STAGE.**Duration of event:** 0:06 minutes**Method of Flared Gas Measurement:** Flare Meter

1. Reason why this event was beyond Operator's control:

The emissions event was caused by the unforeseen, unexpected, sudden, and unavoidable breakdown of equipment or process that was beyond the owner/operator's control, and did not stem from activity that could have been foreseen and avoided, and could not have been avoided by good design, operation, and preventative maintenance practices. It is OXY's policy to route all stranded sales gas to a flare during an unforeseen and unavoidable emergency or malfunction, in order to minimize emissions as much as possible. The flare is regularly monitored to ensure flame is lit and meeting opacity requirements.

This event was a sudden and unforeseeable compressor malfunction of Train "B" due to faulty valves on the #3 cylinder 1st stage of the compressor unit. Oxy operators quickly contacted the compressor contract workers, Archrock, to immediately send out a compressor mechanic. An Archrock compression mechanic quickly arrived at the facility and began to immediately inspect the unit and reading the alarm pressures. Archrock compression mechanic determined that the compressor unit would need to be shut down so that he could perform a thorough inspection of the unit to determine exact cause involving the malfunction alarms. OXY operators assisted with shutting down the unit, and this shut down of the malfunctioning compressor unit triggered a flaring event. After thoroughly inspecting the compressor unit, Archrock compressor mechanic determined the cause of the malfunction was due to faulty valves. Valves can become faulty and suddenly and without warning, regardless of good preventative maintenance practices and programs. Archrock compressor mechanic replaced the faulty valves and inspected the compressor unit thoroughly for any other possible reasons the compressor unit might be shutting down. After inspecting and troubleshooting the compressor unit, the compressor mechanic brought the unit back to normal working service. OXY personnel were in place and available at the facility location when compressor unit was returned to working service.

Notwithstanding proper gas compressor design and operation, various forms of mechanical or technical issues can be sudden, reasonably unforeseeable and unexpected which can cause compressor unit malfunctions to occur without warning or advance notice. OXY made every effort to control and minimize emissions as much as possible during this event.

2. Steps Taken to limit duration and magnitude of venting or flaring:

The emissions event was caused by the unforeseen, unexpected, sudden, and unavoidable breakdown of equipment or process that was beyond the owner/operator's control, and did not stem from activity that could have been foreseen and avoided, and could not have been avoided by good design, operation, and preventative maintenance practices. It is OXY's policy to route all stranded sales gas to a flare during an unforeseen and unavoidable emergency or malfunction, in order to minimize emissions as much as possible. The flare is regularly monitored to ensure flame is lit and meeting opacity requirements.

In this case, the steps taken to limit duration and magnitude of flaring was for Oxy operators to quickly respond to the compression equipment malfunction alarms by quickly contacting the compressor unit, Archrock, to immediately send out a compressor mechanic, as the malfunction alarm was occurring. An Archrock compression mechanic quickly arrived at the facility and began to immediately inspect the unit and reading the alarm pressures. Archrock compression mechanic determined that the compressor unit would need to be shut down so that he could perform a thorough inspection of the unit to determine exact cause involving the alarms. OXY operators assisted with shutting down the unit, and this shut down of the malfunctioning compressor unit triggered a flaring event. In addition to shutting down the gas compressor unit, OXY routed all the stranded sales gas to a flare with a 98% combustion efficiency in order to lessen emissions as much as possible. The flare is regularly monitored to ensure the flame is lit and meeting opacity requirements. After thoroughly inspecting the malfunctioning compressor unit, Archrock compressor mechanic determined the cause of the malfunction was due to faulty valves. Valves can become faulty and suddenly and without warning, regardless of good preventative maintenance practices and programs. Archrock compressor mechanic replaced the faulty valves on the compressor unit thoroughly for any other possible reasons the compressor unit might be getting shut down alarms. After inspecting and troubleshooting the compressor unit, the compressor mechanic brought the unit back to normal working service.

Notwithstanding proper gas compressor design and operation, various forms of mechanical or technical issues can be sudden, reasonably unforeseeable and unexpected which can cause compressor unit malfunctions to occur without warning or advance notice. OXY made every effort to control and minimize emissions as much as possible during this event.

3. Corrective Actions taken to eliminate the cause and reoccurrence of venting or flaring:

The emissions event was caused by the unforeseen, unexpected, sudden, and unavoidable breakdown of equipment or process that was beyond the owner/operator's control, and did not stem from activity that could have been foreseen and avoided, and could not have been avoided by good design, operation, and preventative maintenance practices. It is OXY's policy to route all stranded sales gas to a flare during an unforeseen and unavoidable emergency or malfunction, in order to minimize emissions as much as possible. The flare is regularly monitored to ensure the flame is lit and meeting opacity requirements.

Oxy cannot take any corrective actions to eliminate the cause and potential reoccurrence of compressor malfunctions as notwithstanding proper gas compressor design and operation, various forms of mechanical or technical issues can be sudden, reasonably unforeseeable and unexpected which can cause compressor unit malfunctions to occur without warning or advance notice. Oxy continually strives to maintain and operate its facility equipment in a manner consistent with good practices for minimizing emissions and reducing the number of emission events. Oxy Train "B" was working as designed and operated normally prior to the sudden and without warning malfunction of the compressor unit. Oxy has a strong and positive compression equipment preventative maintenance program in place. This incident was completely out of OXY's control to prevent from happening as it was determined the malfunction occurred due to faulty valves on the #3 cylinder 1st stage of the compressor unit. Valves can become faulty and suddenly and without warning, regardless of good preventative maintenance practices and programs. OXY made every effort to control and minimize emissions as much as possible during this event. The only actions that Oxy can take and handle that is within its control, is to keep continue with its compression equipment preventative maintenance program for this unit.

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 54652

QUESTIONS

| | |
|---|--|
| Operator: OCCIDENTAL PERMIAN LTD P.O. Box 4294 Houston, TX 772104294 | OGRID: 157984 |
| | Action Number: 54652 |
| | Action Type: [C-129] Venting and/or Flaring (C-129) |

QUESTIONS

| | |
|--|---------------------------------------|
| Prerequisites | |
| Any messages presented in this section, will prevent submission of this application. Please resolve these issues before continuing with the rest of the questions. | |
| Incident Well | Not answered. |
| Incident Facility | [fJXK1530631838] South Hobbs Unit RCF |

| | |
|--|---|
| Determination of Reporting Requirements | |
| Answer all questions that apply. The Reason(s) statements are calculated based on your answers and may provide additional guidance. | |
| Was or is this venting and/or flaring caused by an emergency or malfunction | Yes |
| Did or will this venting and/or flaring last eight hours or more cumulatively within any 24-hour period from a single event | No |
| Is this considered a submission for a venting and/or flaring event | Yes, minor venting and/or flaring of natural gas. |
| An operator shall file a form C-141 instead of a form C-129 for a release that, includes liquid during venting and/or flaring that is or may be a major or minor release under 19.15.29.7 NMAC. | |
| Was there or will there be at least 50 MCF of natural gas vented and/or flared during this event | Yes |
| Did this venting and/or flaring result in the release of ANY liquids (not fully and/or completely flared) that reached (or has a chance of reaching) the ground, a surface, a watercourse, or otherwise, with reasonable probability, endanger public health, the environment or fresh water | No |
| Was the venting and/or flaring within an incorporated municipal boundary or withing 300 feet from an occupied permanent residence, school, hospital, institution or church in existence | No |

| | |
|---|---------------|
| Equipment Involved | |
| Primary Equipment Involved | Not answered. |
| Additional details for Equipment Involved. Please specify | Not answered. |

| | |
|---|---------------|
| Representative Compositional Analysis of Vented or Flared Natural Gas | |
| Please provide the mole percent for the percentage questions in this group. | |
| Methane (CH4) percentage | 4 |
| Nitrogen (N2) percentage, if greater than one percent | 0 |
| Hydrogen Sulfide (H2S) PPM, rounded up | 6,260 |
| Carbon Dioxide (CO2) percentage, if greater than one percent | 0 |
| Oxygen (O2) percentage, if greater than one percent | 0 |
| If you are venting and/or flaring because of Pipeline Specification, please provide the required specifications for each gas. | |
| Methane (CH4) percentage quality requirement | Not answered. |
| Nitrogen (N2) percentage quality requirement | Not answered. |
| Hydrogen Sulfide (H2S) PPM quality requirement | Not answered. |
| Carbon Dioxide (CO2) percentage quality requirement | Not answered. |
| Oxygen (O2) percentage quality requirement | Not answered. |

| | |
|---|------------|
| Date(s) and Time(s) | |
| Date venting and/or flaring was discovered or commenced | 09/29/2021 |
| Time venting and/or flaring was discovered or commenced | 11:27 AM |
| Time venting and/or flaring was terminated | 11:33 AM |
| Cumulative hours during this event | 0 |

| | |
|---|---------------|
| Measured or Estimated Volume of Vented or Flared Natural Gas | |
| Natural Gas Vented (Mcf) Details | Not answered. |
| Natural Gas Flared (Mcf) Details | Not answered. |

| | |
|---|--|
| Other Released Details | Cause: Equipment Failure Valve Natural Gas Flared Released: 60 Mcf Recovered: 0 Mcf Lost: 60 Mcf] |
| Additional details for Measured or Estimated Volume(s). Please specify | Not answered. |
| Is this a gas only submission (i.e. only significant Mcf values reported) | Yes, according to supplied volumes this appears to be a "gas only" report. |

| Venting or Flaring Resulting from Downstream Activity | |
|--|---------------|
| Was or is this venting and/or flaring a result of downstream activity | Not answered. |
| Was notification of downstream activity received by you or your operator | Not answered. |
| Downstream OGRID that should have notified you or your operator | Not answered. |
| Date notified of downstream activity requiring this venting and/or flaring | Not answered. |
| Time notified of downstream activity requiring this venting and/or flaring | Not answered. |

| Steps and Actions to Prevent Waste | |
|--|---|
| For this event, the operator could not have reasonably anticipated the current event and it was beyond the operator's control. | True |
| Please explain reason for why this event was beyond your operator's control | The emissions event was caused by the unforeseen, unexpected, sudden, and unavoidable breakdown of equipment or process that was beyond the owner/operator's control, and did not stem from activity that could have been foreseen and avoided, and could not have been avoided by good design, operation, and preventative maintenance practices. It is OXY's policy to route all stranded sales gas to a flare during an unforeseen and unavoidable emergency or malfunction, in order to minimize emissions as much as possible. The flare is regularly monitored to the ensure flame is lit and meeting opacity requirements. |
| Steps taken to limit the duration and magnitude of venting and/or flaring | The emissions event was caused by the unforeseen, unexpected, sudden, and unavoidable breakdown of equipment or process that was beyond the owner/operator's control, and did not stem from activity that could have been foreseen and avoided, and could not have been avoided by good design, operation, and preventative maintenance practices. It is OXY's policy to route all stranded sales gas to a flare during an unforeseen and unavoidable emergency or malfunction, in order to minimize emissions as much as possible. The flare is regularly monitored to the ensure flame is lit and meeting opacity requirements. |
| Corrective actions taken to eliminate the cause and reoccurrence of venting and/or flaring | The emissions event was caused by the unforeseen, unexpected, sudden, and unavoidable breakdown of equipment or process that was beyond the owner/operator's control, and did not stem from activity that could have been foreseen and avoided, and could not have been avoided by good design, operation, and preventative maintenance practices. It is OXY's policy to route all stranded sales gas to a flare during an unforeseen and unavoidable emergency or malfunction, in order to minimize emissions as much as possible. The flare is regularly monitored to the ensure flame is lit and meeting opacity requirements. |

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 54652

CONDITIONS

| | |
|---|--|
| Operator: OCCIDENTAL PERMIAN LTD P.O. Box 4294 Houston, TX 772104294 | OGRID: 157984 |
| | Action Number: 54652 |
| | Action Type: [C-129] Venting and/or Flaring (C-129) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|--|----------------|
| ralvarado | If the information provided in this report requires an amendment, submit a [C-129] Amend Venting and/or Flaring Incident (C-129A), utilizing your incident number from this event. | 10/7/2021 |