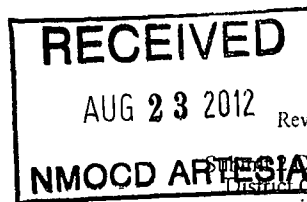


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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



Form C-141
Revised October 10, 2003

Submit copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

nJMW1224940265
Name of Company Oxy Permian Ltd. 16696
Address 1502 W. Commerce Drive, Carlsbad, NM
Facility Name McMillan 24 State #2
Contact Christopher Jones
Telephone No. (575) 628-4121
Facility Type Well
Surface Owner State of NM
Mincral Owner State of NM
Lease No. API# 30-015-32336

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	24	20S	26E	1980	South	990	East	Eddy County, NM

Latitude N 32.55749 Longitude W 104.33235

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 733 bbls	Volume Recovered 100 bbls
Source of Release ROD BOP rubber failure	Date and Hour of Occurrence 06/14/2012 @ 8:00 am	Date and Hour of Discovery
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	
By Whom? Chris Jones	Date and Hour 06/14/2012 @ 2:40 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.*

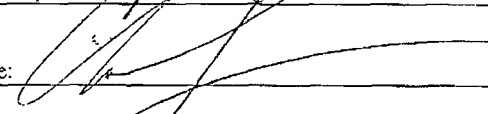
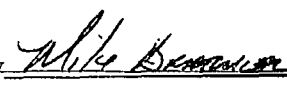
Describe Cause of Problem and Remedial Action Taken.*

ROD BOP rubber failure caused 773 bbls of produced water to leak onto the ground. 100 bbls of produced water were recovered via vacuum truck. Remediation will be performed according to a NMOCD-approved remediation plan.

Describe Area Affected and Cleanup Action Taken.*

The area affected is approximately 700' x 280'. 100 bbls of produced water were recovered and additional remediation will be performed according to a NMOCD-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, 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: Christopher Jones	Approved by District Supervisor:	Signed By: 
Title: HES Specialist	Approval Date: SEP 05 2012	Expiration Date:
E-mail Address: Christopher_Jones@oxy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date:	Phone: (575) 328-4121	

* Attach Additional Sheets If Necessary

Remediation per OCD Rules &
Guidelines. **SUBMIT REMEDIATION
PROPOSAL NOT LATER THAN:
October 5th, 2012**

2RP-1274

Bratcher, Mike, EMNRD

From: Bratcher, Mike, EMNRD
Sent: Friday, August 24, 2012 6:56 AM
To: 'Kathy Purvis'
Cc: christopher_jones@oxy.com; kswinney@bbcinternational.com; cbrunson@bbcinternational.com; jgilkey@bbcinternational.com
Subject: RE: Initial C-141 for McMillan 24 State #2

C-141 has been received.

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: Kathy Purvis [<mailto:kathy@bbcinternational.com>]
Sent: Thursday, August 23, 2012 3:38 PM
To: Bratcher, Mike, EMNRD
Cc: christopher_jones@oxy.com; kswinney@bbcinternational.com; cbrunson@bbcinternational.com; jgilkey@bbcinternational.com
Subject: Initial C-141 for McMillan 24 State #2

Attached is the Initial C-141 for the McMillan 24 State #2. Please send receipt acknowledgement. Thank you.

Kathy Purvis
BBC International, Inc.
1324 W. Marland
Hobbs, NM 88240
Phone: (575) 397-6388
Fax: (575) 397-0397
Email: kathy@bbcinternational.com

Bratcher, Mike, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>
Sent: Thursday, August 23, 2012 3:38 PM
To: Bratcher, Mike, EMNRD
Cc: christopher_jones@oxy.com; kswinney@bbcinternational.com;
cbrunson@bbcinternational.com; jgilkey@bbcinternational.com
Subject: Initial C-141 for McMillan 24 State #2
Attachments: Initial C-141, signed and sent to OCD.pdf

Attached is the Initial C-141 for the McMillan 24 State #2. Please send receipt acknowledgement. Thank you.

Kathy Purvis

BBC International, Inc.

1324 W. Marland

Hobbs, NM 88240

Phone: (575) 397-6388

Fax: (575) 397-0397

Email: kathy@bbcinternational.com

Bratcher, Mike, EMNRD

From: Chris Jones [ckjones888@yahoo.com]
Sent: Saturday, June 16, 2012 3:19 PM
To: Bratcher, Mike, EMNRD
Cc: Nick Edwards; Van Barton; Buddy Thompson; Austin Tramell
Subject: McMillan 24-2 unexpected release

The release was controlled today at 1:30. Further reports will follow the first of the week once everything is evaluated and summed up. Thank you.

Chris Jones
HES Specialist
Permian Primary Production
Carlsbad, NM
Cell 575-499-3337
Off 575-628-4121

"We do not inherit the earth from our ancestors; we borrow it from our children." Chief Seattle

Bratcher, Mike, EMNRD

From: Christopher_Jones@oxy.com
Sent: Thursday, June 14, 2012 3:10 PM
To: Bratcher, Mike, EMNRD
Cc: Nicholas_Edwards@oxy.com; Mark_Richards@oxy.com; Van_Barton@oxy.com; Buddy_Thompson@oxy.com; Brit_Meadows@oxy.com; Austin_Tramell@oxy.com
Subject: Fwd: Gas analysis
Attachments: img-614120128-0001.pdf; ATT00001.htm

Mike

We have had an unexpected gas release at the McMillan 24-2. We are currently at location and planning and staging equipment to kill the well to repair equipment that failed.

Chris Jones
HES Specialist
Permian Primary Production
Carlsbad, NM
Cell 575-499-3337
Off 575-628-4121

"We do not inherit the earth from our ancestors; we borrow it from our children." Chief Seattle

Begin forwarded message:

From: "Barton, Van A" <Van_Barton@oxy.com<mailto:Van_Barton@oxy.com>>
Date: June 14, 2012 2:09:59 PM MDT
To: "Jones, Christopher K" <Christopher_Jones@oxy.com<mailto:Christopher_Jones@oxy.com>>, "Edwards, Nicholas L" <Nicholas_Edwards@oxy.com<mailto:Nicholas_Edwards@oxy.com>>
Subject: FW: Gas analysis

-----Original Message-----

From: Barton, Van A
Sent: Thursday, June 14, 2012 2:02 PM
To: Sevin, Keith A.
Subject: FW: Gas analysis

-----Original Message-----

From: Barton, Van A
Sent: Thursday, June 14, 2012 1:50 PM
To: Thompson, Wayne
Subject: Gas analysis

-----Original Message-----

From: Carlsbad_103_cmfp [mailto:carlsbad_103_cmfp@oxy.com]
Sent: Thursday, June 14, 2012 1:01 PM
To: Barton, Van A
Subject: Scan from a Xerox WorkCentre

Please open the attached document. It was scanned and sent to you using a Xerox WorkCentre.

Number of Images: 1

Attachment File Type: PDF

Device Name: Carlsbad_103_cmfp

Device Location: Carlsbad.103

For more information on Xerox products and solutions, please visit <http://www.xerox.com/>

Wildcat Measurement Service
P.O.Box 1836
416 East Main Street
Artesia, NM 88211-1836

3/9/2012 8:53 AM
Phone: 575-746-3481
888-421-9453
Fax: 575-748-9852
dnorman@wildcatms.com

GAS ANALYSIS REPORT

Analysis For: OXY USA, INC.
Field Name:
Well Name: McMILLAN "24" STATE #2
Station Number: 83371
Purpose: SPOT
Sample Deg. F: 89.9
Volume/Day: 1033.0 MCF/DAY
Formation:
Line PSIG: 104.0
Line PSIA: 117.2

Run No: 2120308-04
Date Run: 03/08/2012
Date Sampled: 03/07/2012
Producer: OXY USA, INC.
County: EDDY
State: NM
Sampled By: CHANDLER MONTGOMERY
Atmos Deg. F: 70

GAS COMPONENTS			
		MOL%	GPM
Oxygen	O2:	0.0000	
Carbon Dioxide	CO2:	0.2923	
Nitrogen	N2:	0.7969	
Hydrogen Sulfide	H2S:	0.3000	
Methane	C1:	86.4851	
Ethane	C2:	6.2221	1.6546
Propane	C3:	2.8735	0.7871
Iso-Butane	IC4:	0.5684	0.1849
Nor-Butane	NC4:	1.1306	0.3544
Iso-Pentane	IC5:	0.3617	0.1315
Nor-Pentanes	NC5:	0.3678	0.1326
Hexanes Plus	C6+:	0.6016	0.2601
Totals		100.0000	3.5053

Pressure Base: 14.650
Real BTU Dry: 1173.204
Real BTU Wet: 1152.609

Calc. Ideal Gravity: 0.6747
Calc. Real Gravity: 0.6765
Field Gravity:
Standard Pressure: 14.696
Ideal BTU Dry: 1173.263
Ideal BTU Wet: 1152.848
Z Factor: 0.9969
Average Mol Weight: 19.5409
Average CuFt/Gal: 56.5175
26 lb. Product: 0.8066
Ethane+ GPM: 3.5053
Propane+ GPM: 1.8507
Butane+ GPM: 1.0636
Pentane+ GPM: 0.5242

Remarks:
H2S IN GAS STREAM ON LOCATION: 0.3000% = 3,000 PPM

Analysis By: Don Norman