

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

RECEIVED
AUG 30 2012
NMOC DISTRICT OFFICE

Form C-141
Revised October 10, 2003
Applies 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 Permian Ltd. <i>192463</i>	Contact	Christopher Jones
Address	1502 W. Commerce Dr., Carlsbad, NM	Telephone No.	(575) 628-4121
Facility Name	Smokey Bits State Com #5H	Facility Type	

Surface Owner	State	Mineral Owner		Lease No.	API#30-015-40070
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	36	18S	30E	330'	S	330'	W	Eddy County, NM

Latitude N 32.69781° Longitude W 103.93297°

NATURE OF RELEASE

Type of Release	Oil and Produced water	Volume of Release	15 bbls oil, 95 bbls produced water	Volume Recovered	100 bbls
Source of Release	Frac tank bottom failure	Date and Hour of Occurrence	8/14/12	Date and Hour of Discovery	8/14/12
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bracher- OCD		
By Whom?	Christopher Jones	Date and Hour	8/14/12 @ 12:24 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.*

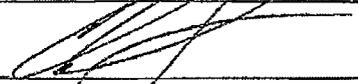
Describe Cause of Problem and Remedial Action Taken.*

Failure of a frac tank bottom caused 15 bbls of oil and 95 bbls of produced water to leak onto the ground. 100 bbls of produced water were recovered via vacuum truck.

Describe Area Affected and Cleanup Action Taken.*

Failure of a frac tank bottom caused 15 bbls of oil and 95 bbls of produced water to leak onto the ground. 90 bbls of produced water were recovered via vacuum truck. Remediation will be performed in accordance with an OCD-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 <i>Mike Bracher</i>
Title:	HES Specialist	Approval Date:	SEP 12 2012
E-mail Address:	Christopher Jones@oxy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date:	8-30-12	Phone:	(575) 628-4121

* Attach Additional Sheets If Necessary

Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: October 12th, 2012**

2RP-1285

Bratcher, Mike, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>
Sent: Thursday, August 30, 2012 11:15 AM
To: Bratcher, Mike, EMNRD
Cc: christopher_jones@oxy.com; kswinney@bbcinternational.com;
cbrunson@bbcinternational.com; jgilkey@bbcinternational.com
Subject: Initial C-141 for Smokey Bits State Com #5H
Attachments: Initial C-141, signed and sent to OCD.pdf

Please find attached the initial C-141 for the Smokey Bits State Com #5H located in Eddy County, NM. An email of receipt notification would be greatly appreciated. Thanks.

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: Christopher_Jones@oxy.com
Sent: Tuesday, August 14, 2012 12:24 PM
To: Bratcher, Mike, EMNRD; Terry_Gregston@blm.gov; kswinney@bbcinternational.com; cbrunson@bbcinternational.com
Cc: Tiffney_Burkham@oxy.com; Mark_Richards@oxy.com
Subject: Smokey Bits St Com 5H

This is to inform you that Oxy Permian Primary had a produced water leak on the Smokey Bits St Com 5H on August 14, 2012. Oxy released 15 bbls of oil and 95 BBLs of produced water and recovered 100 bbls due to a failure in the bottom of the frac tank. The location is located at API 30-015-40070 SECT 36 T18S R30E EDDY COUNTY NEW MEXICO. Oxy will do some initial remediation, a C-141 to follow. BBC International will delineate at a later date. Driving directions: OUT OF CARLSBAD ON 62/180 TURN NORTH ON 360 TURN EAST ON GRUBBS RD TO OXY SIGN ON RIGHT GO 2 MILES TO LOCATION

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