

From: Gregston, Terry G <tgregsto@blm.gov>
Sent: Tuesday, August 14, 2012 4:58 PM
To: christopher_jones@oxy.com; Bratcher, Mike, EMNRD; kswinney@bbcinternational.com; cbrunson@bbcinternational.com
Cc: tiffney_burkham@oxy.com; mark_richards@oxy.com
Subject: RE: Smokey Bits St Com 5H--not a federal well

Mr. Jones,

This was a tough one. The well is state surface; no federal minerals. However, the well is within a unit boundary with federal interests. After some research however, we determined that the unit agreement for that area is for the Culwin Queen formation and that this well is drilled into the Bone Springs formation. As a result, the BLM has no jurisdiction over this well.

Thank you,

Terry Gregston

Environmental Protection Specialist
Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220
Office (575) 234-5958
Cell (575) 361-2635
Fax (575) 234-5927

Confidentiality Warning: This message along with any attachments are intended only for use of the individual or entity to which it is addressed and may contain information that is privileged or confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient or the employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender immediately.

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

From: [Christopher Jones@oxy.com](mailto:Christopher_Jones@oxy.com) [mailto:Christopher_Jones@oxy.com]
Sent: Tuesday, August 14, 2012 12:24 PM
To: mike.bratcher@state.nm.us; Gregston, Terry G; 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