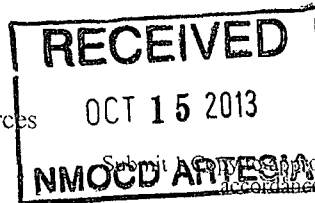


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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



Form C-141
Revised August 8, 2011

Release Notification and Corrective Action

JWH/329035080

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Oxy Permian Ltd. <i>16696</i>	Contact	Chancey Summers
Address	1017 W. Stanolind Rd, Hobbs, NM 88240	Telephone No.	(575) 397-8216
Facility Name	Lost Tank 10 Federal #2	Facility Type	Well location

Surface Owner	BLM	Mineral Owner		API No.	30-015-37960
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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
O	3	22S	31E	840	South	1838	East	Eddy

Latitude N 32.415595°

Longitude W 103.763146°

NATURE OF RELEASE

Type of Release	Oil and Produced Water	Volume of Release	10 bbls oil, 5 bbls produced water	Volume Recovered	0 bbls
Source of Release	4" needle valve on circulating line broke off	Date and Hour of Occurrence	10/01/2013	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; Jennifer Van Curen-BLM		
By Whom?	Chancey Summers	Date and Hour	10/07/2013 @ 10:14 am		
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.*

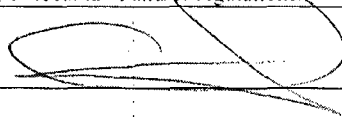
Describe Cause of Problem and Remedial Action Taken.*

Area livestock have been rubbing the circulating line causing the 4" needle valve to break off and allow 10 bbls of oil and 5 bbls of produced water to leak onto the ground. No fluids were recovered and the valve was repaired/replaced.

Describe Area Affected and Cleanup Action Taken.*

The area affected was approximately 20' x 40' with all of the leak staying on location. Remediation will be conducted in accordance with a plan approved by 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: 	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Chancey Summers	Approved by Environmental Specialist	Signed By <i>Mike Bratcher</i>
Title: HES Specialist	Approval Date: OCT 17 2013	Expiration Date:
E-mail Address: <u>Chancey.Summers@oxy.com</u>	Conditions of Approval: Remediation per OCD Rule & Guidelines, & like approval by BLM. SUBMIT REMEDIATION	Attached <input type="checkbox"/>
Date: <i>10/15/13</i> Phone: (575) 397-8216		

* Attach Additional Sheets If Necessary

PROPOSAL NO LATER THAN:

November 17, 2013

2RP-1996

Bratcher, Mike, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>
Sent: Tuesday, October 15, 2013 9:57 AM
To: Bratcher, Mike, EMNRD; jvancure@blm.gov
Cc: C J Summers; cbrunson@bbcinternational.com; kswinney@bbcinternational.com; jgilkey@bbcinternational.com
Subject: Initial C-141, Lost Tank 10 Federal #2
Attachments: Initial C-141, Lost Tank 10 Fed #2.pdf

Attached is the initial C-141 for a leak that occurred at the Lost Tank 10 Federal #2 on 10/01/2013 in Eddy County, NM. Receipt notification via email is greatly appreciated.

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: Chancey_Summers@oxy.com
Sent: Monday, October 07, 2013 10:14 AM
To: Jennifer_VanCuren@blm.gov; Bratcher, Mike, EMNRD; cbrunson@bbcinternational.com; jgilkey@bbcinternational.com; kathy@bbcinternational.com; kswinney@bbcinternational.com
Subject: Lost Tank 10 Fed 2/Peaches 19 Fed 1

All this is to inform you Oxy Permian Primary NM South had a release at the Lost Tank 10 Fed 02 on Oct 1, 2013. Oxy released 10 bbls of oil and 5 bbls of water. Oxy was unable to recover any fluids. The leak was due to a circulating line that broke due to livestock in the area rubbing on it. The leak did remain on location. The leak is located in Sect 3, T22S, R31E of Eddy County. Oxy will conduct some initial remediation. C-141 to follow. Driving Directions: OUT OF CARLSBAD GO EAST ON 182 GO 34 MILES, TURN SOUTH ON WHIPP ACCESS ROAD TO MILE MARKER 4 GO .5 MILE, TURN EAST ON LEASE ROAD, FOLLOW LEASE ROAD TO WELL

Thank You
C.J. Summers
HES Advisor
Cell # 575-631-9436
Office # 575-397-8216
Chancey_Summers@oxy.com

"When the blind lead the blind, get out of the way!"

Bratcher, Mike, EMNRD

From: Van Curen, Jennifer <jvancure@blm.gov>
Sent: Thursday, October 10, 2013 6:59 AM
To: Chancey Summers
Cc: Jennifer Van Curen; Bratcher, Mike, EMNRD; Brunson; Jennifer Gilkey; Katherine Purvis; kswinney@bbcinternational.com
Subject: Re: Lost Tank 10 Fed 2/Peaches 19 Fed 1

CJ,
Same. Pick up contaminants and run a couple of bottom sample tests. Thanks

You will still need to comply with state on both also.

JENNIFER E VAN CUREN
ENVIRONMENTAL PROTECTION SPECIALIST
DOI-BLM-CARLSBAD FIELD OFFICE
320 E GREENE ST. CARLSBAD, NM 88220
OFFICE- 575-234-5905
CELL - 575-361-0042
FAX - 575-234-5927

On Mon, Oct 7, 2013 at 10:14 AM, <Chancey_Summers@oxy.com> wrote:

All this is to inform you Oxy Permian Primary NM South had a release at the Lost Tank 10 Fed 02 on Oct 1, 2013. Oxy released 10 bbls of oil and 5 bbls of water. Oxy was unable to recover any fluids. The leak was due to a circulating line that broke due to livestock in the area rubbing on it. The leak did remain on location. The leak is located in Sect 3, T22S, R31E of Eddy County. Oxy will conduct some initial remediation. C-141 to follow. Driving Directions: OUT OF CARLSBAD GO EAST ON 182 GO 34 MILES, TURN SOUTH ON WHIPP ACCESS ROAD TO MILE MARKER 4 GO .5 MILE, TURN EAST ON LEASE ROAD, FOLLOW LEASE ROAD TO WELL

Thank You
C.J. Summers
HES Advisor
Cell # 575-631-9436
Office # 575-397-8216
Chancey_Summers@oxy.com

"When the blind lead the blind, get out of the way!"