

Closure Report

Site Description		
Site Name:	Indian Hills Unit #39	NM OIL CONSERVATION
Company:	Oxy Permian Ltd.	ARTESIA DISTRICT
Legal Description:	U/L K, Section 16, T21S, R24E	JUN 06 2014
County:	Eddy County, NM	
GPS Coordinates:	N 32.47631° W 104.50565°	RECEIVED

Release Data	
Date of Release:	01/07/2014
Type of Release:	Oil and Produced water
Source of Release:	6" steel production flow line
Volume of Release:	4 bbls oil, 106 bbls produced water
Volume Recovered:	0 bbls

Remediation Specifications	
Remediation Parameters:	Excavate to a depth of 2 feet in the leak area around SP1 and SP2. In the area of SP3, excavate to a depth of 1 foot. Then, backfill the site with clean soil.
Remediation Activities:	05/20/2014 to 05/28/2014

Plan Sent to OCD:	04/06/2014	Email from Cliff Brunson to Mike Bratcher
OCD Approval of Plan:	04/01/2014	Verbal approval from Mike Bratcher in mtg
Plan Sent to BLM:	n/a	n/a
BLM Approval of Plan:	n/a	n/a

Supporting Documentation	
Initial C-141	Signed 1/9/14
Final C-141	Signed 6/4/14
Site Diagram	January 2014
Groundwater Plot	<50'
TOPO Maps	January 2014
Lab Summary	01/23/2014
Lab Analysis	01/23/2014
Correspondence	Request and approval of remediation plan via email

Request for Closure	
Based on the completion of the remediation plan as agreed upon, BBC International requests closure approval from NMOCD.	
Cliff Brunson, President of BBC International Inc.	06/04/2014

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 2 Copies 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.	Contact	Christopher Jones
Address	1502 W. Commerce Dr., Carlsbad, NM	Telephone No.	(575) 628-4121
Facility Name	Indian Hills Unit #39	Facility Type	Well Location
Surface Owner	BLM	Mineral Owner	
		API No.	30-015-32103

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
K	16	21S	24E	1690	South	1701	East	Eddy County, NM

Latitude N 32.47646° Longitude W 104.50610°

NATURE OF RELEASE

Type of Release	Oil and Produced water	Volume of Release	4 bbls oil, 106 bbls produced water	Volume Recovered	0 bbls
Source of Release	6" steel production flow line	Date and Hour of Occurrence	01/07/2014	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, JeanMarie Warren-NMOCD, James Amos-BLM, Jennifer Van Curen-BLM		
By Whom?	Jennifer Gilkey, BBC International	Date and Hour	12/30/2013 @ 12:45 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.*
A leak in a 6" steel production flow line caused 4 bbls of oil and 106 bbls of produced water to leak onto the ground. No fluids were recovered and the line was repaired.

Describe Area Affected and Cleanup Action Taken.*
The affected area is approximately 20' x 400' on and off location. Remediation will be completed 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: Christopher Jones	Approved by District Supervisor:		
Title: HES Specialist	Approval Date:	Expiration Date:	
E-mail Address: Christopher Jones@oxy.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 1/9/14	Phone: (575) 628-4121		

* Attach Additional Sheets If Necessary

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State of New Mexico
Energy Minerals and Natural Resources

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Form C-141
Revised October 10, 2003

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with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company	Oxy Permian Ltd.	Contact	Christopher Jones
Address	1502 W. Commerce Dr., Carlsbad, NM	Telephone No.	(575) 628-4121
Facility Name	Indian Hills Unit #39	Facility Type	Well Location

Surface Owner	BLM	Mineral Owner		API No.	30-015-32103
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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
K	16	21S	24E	1690	South	1701	East	Eddy County, NM

Latitude N 32.47646° Longitude W 104.50610°

NATURE OF RELEASE

Type of Release	Oil and Produced water	Volume of Release	4 bbls oil, 106 bbls produced water	Volume Recovered	0 bbls
Source of Release	6" steel production flow line	Date and Hour of Occurrence	01/07/2014	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, JeanMarie Warren-NMOCD, James Amos-BLM, Jennifer Van Curen-BLM		
By Whom?	Jennifer Gilkey, BBC International	Date and Hour	12/30/2013 @ 12:45 pm		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse	NM OIL CONSERVATION		

ARTESIA DISTRICT
JUN 06 2014

RECEIVED

Describe Cause of Problem and Remedial Action Taken.*

A leak in a 6" steel production flow line caused 4 bbls of oil and 106 bbls of produced water to leak onto the ground. No fluids were recovered and the line was repaired.

Describe Area Affected and Cleanup Action Taken.*

The affected area is approximately 20' x 400' on and off location. Remediation was completed in accordance with the remediation plan approved by Mike Bratcher of NMOCD via meeting on 04/01/2014.

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.

OIL CONSERVATION DIVISION

Signature:

Printed Name: Christopher Jones

Title: HES Specialist

E-mail Address: Christopher Jones@oxy.com

Date: 6-4-14

Phone: (575) 628-4121

Approved by District Supervisor:

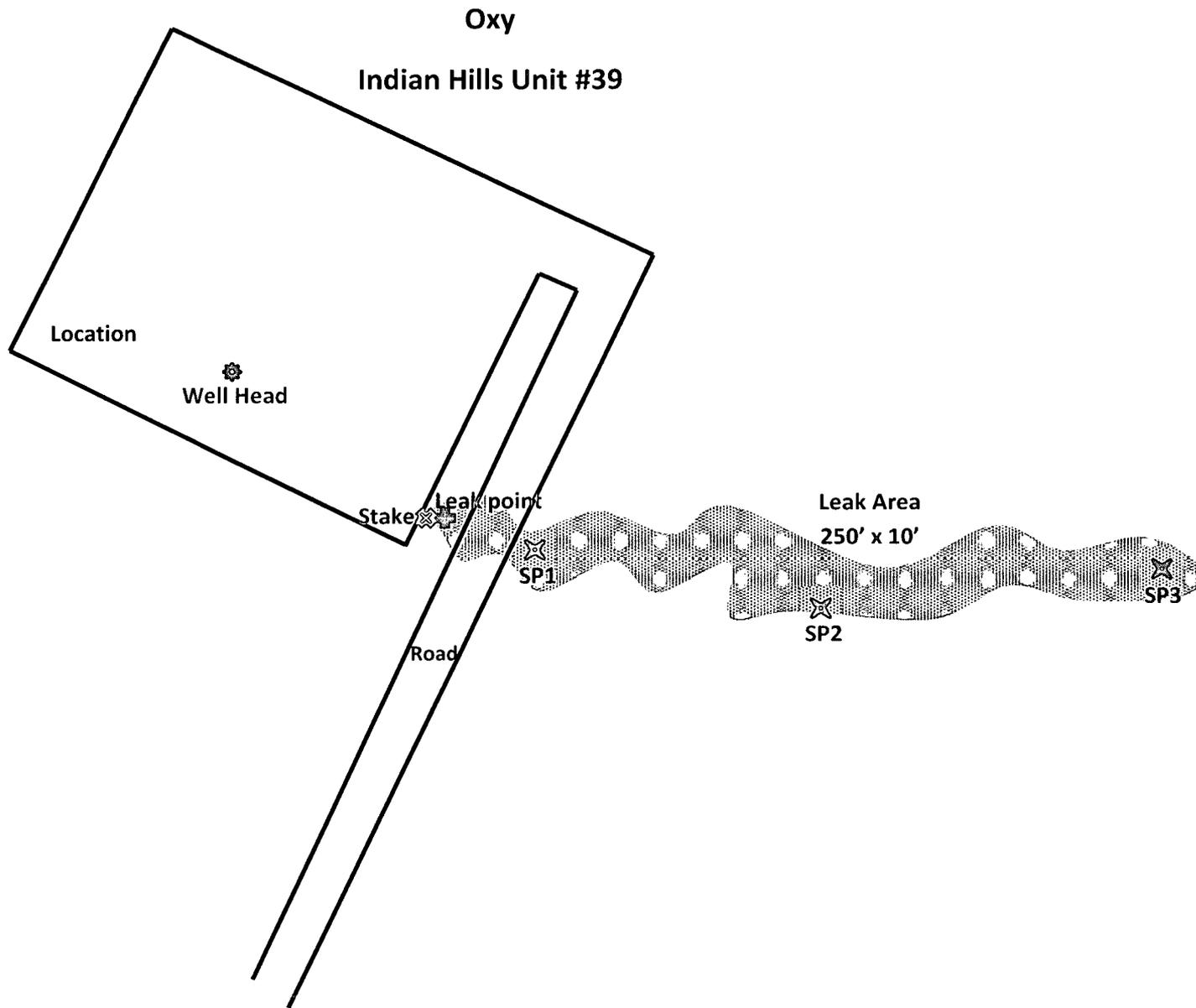
Approval Date:

Expiration Date:

Conditions of Approval:

Attached

* Attach Additional Sheets If Necessary



U/L K, Section 16, T21S, R24E
1690'FSL, 1701'FEL
Eddy County, NM
GPS at stake: N 32.47631° N 104.50565°
API# 30-015-32103

BBC International, Inc.	
Oxy Indian Hills Unit #39	
Date: 01/27/2014	DRWG by: K. Purvis
NOT TO SCALE	File: Oxy 2014



Groundwater Plot

Oxy Indian Hills Unit #39

County
Eddy

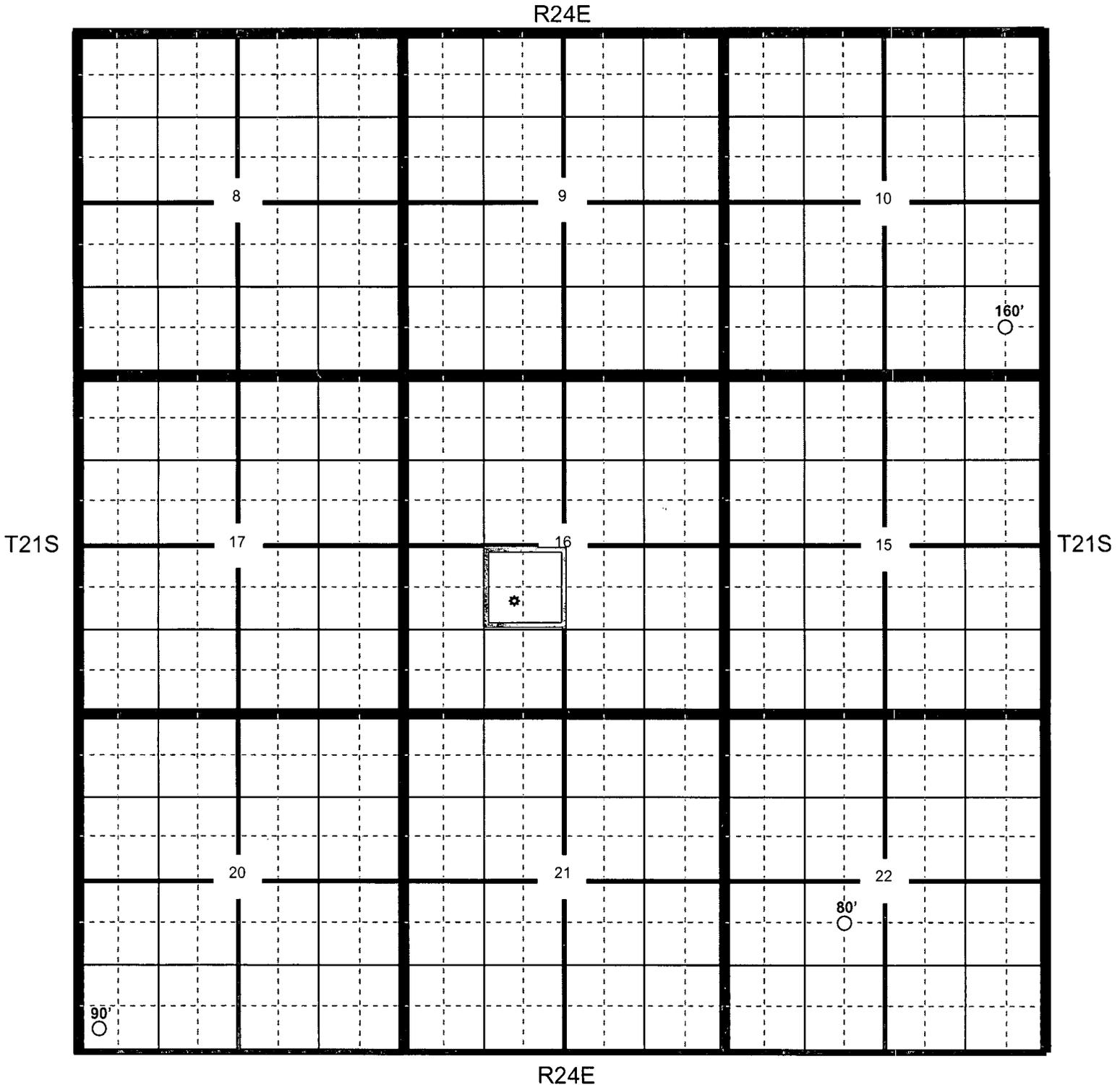
Unit Letter
K

Section
16

Township
21S

Range
24E

Trend Map <50'



★ Location

○ OCD

○ USGS

○ SEO

● All Databases

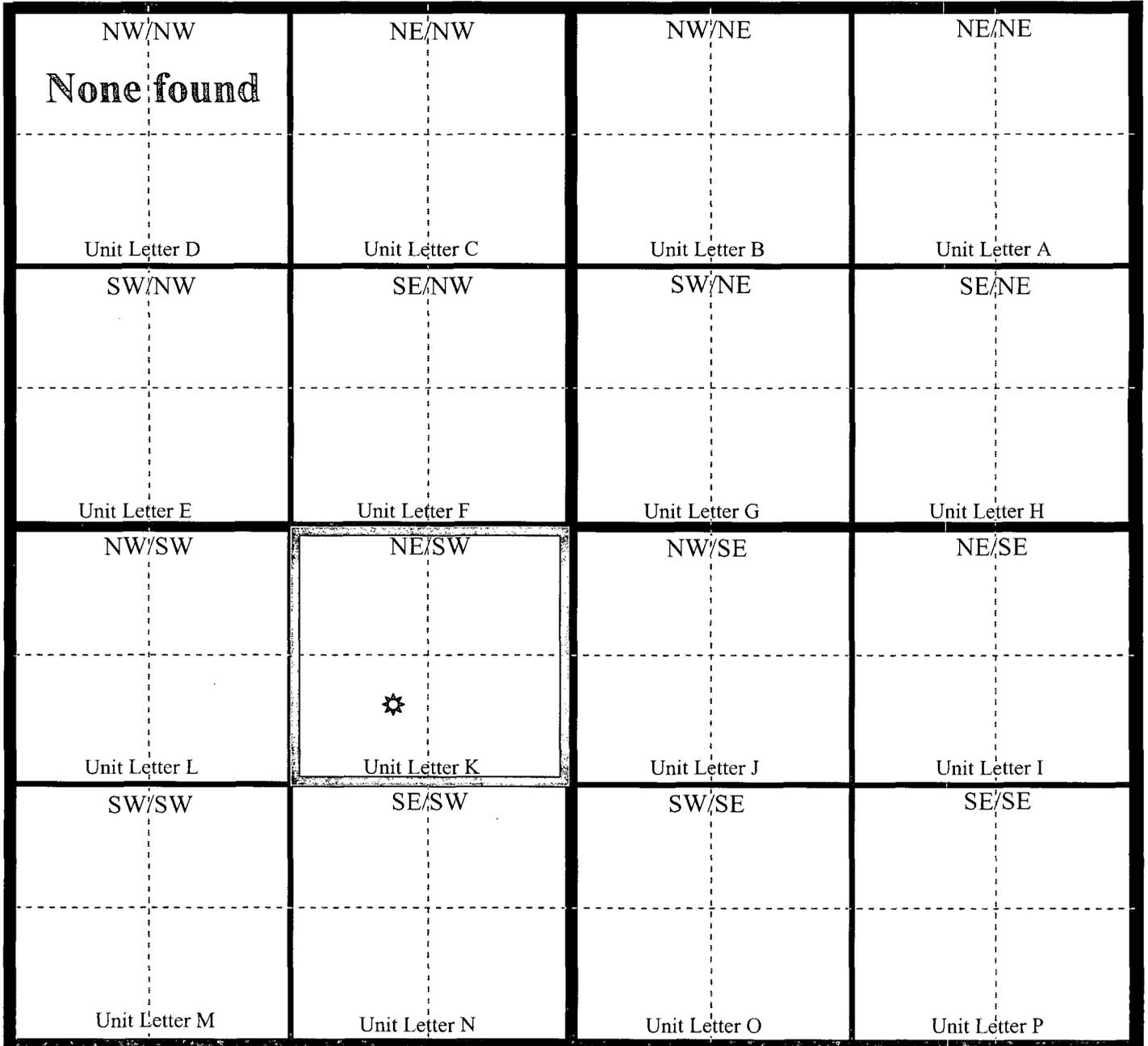
Oxy Indian Hills Unit #39

County Eddy Unit Letter K Section 16 Township 21S Range 24E

Trend Map <50'

1

2



3

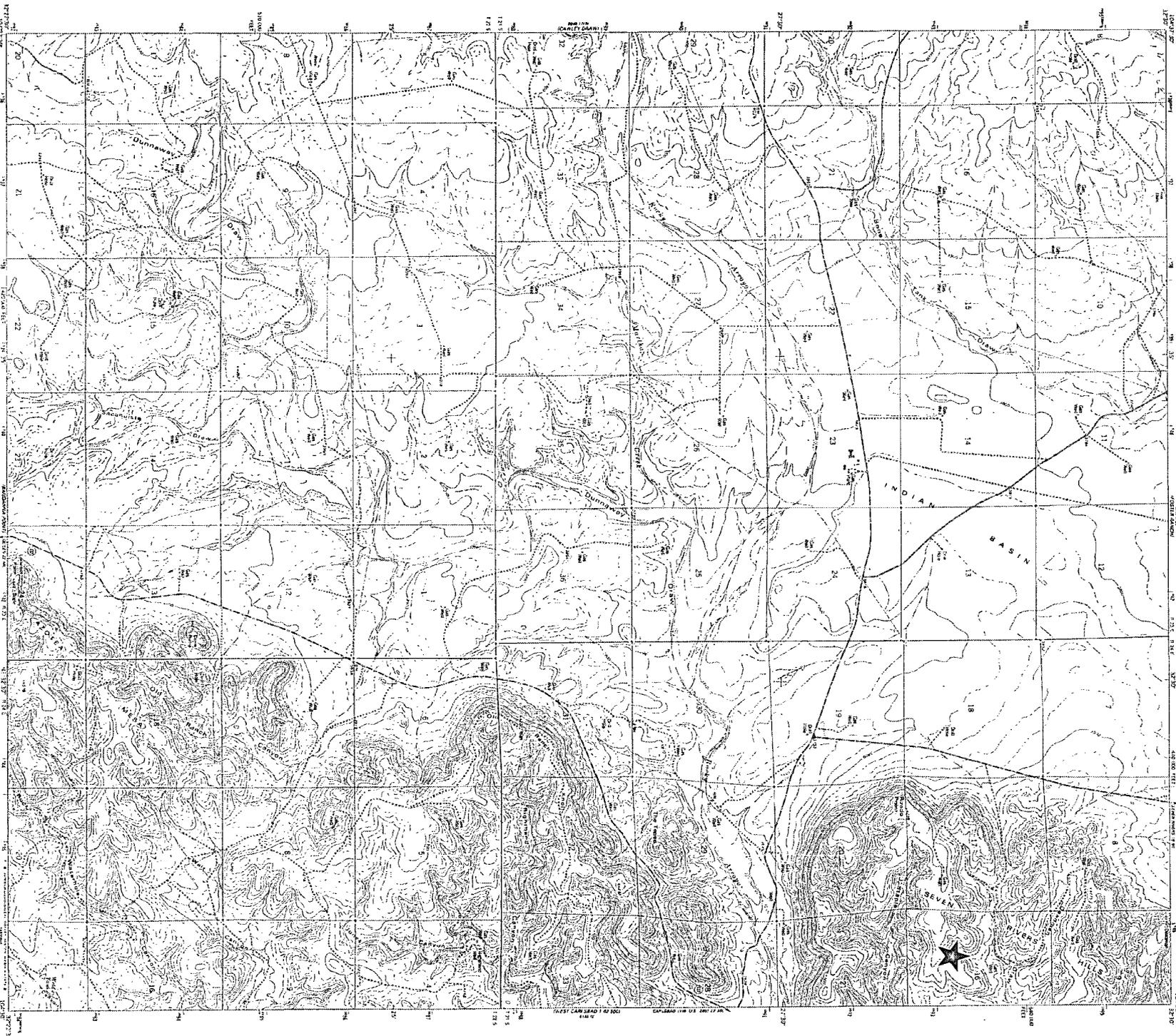
4

Oxy

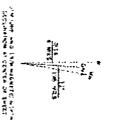
Indian Hills Unit #39

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MARTHA CREEK QUADRANGLE
NEW MEXICO—EDDY CO. PHOENIX
1:50,000 Scale
Geographic Edition of 1959



Map and index published by the Geological Survey
Division of Maps and Hydrology
Information for purchasers: sections with no topography
are shown in white. The map is printed on a
polypropylene base (1) and is available in a
flexible format (2) and a standard format (3).
For more information, contact the National
Map Information Center, 1225 Jefferson Avenue,
Savannah, Georgia 31402.



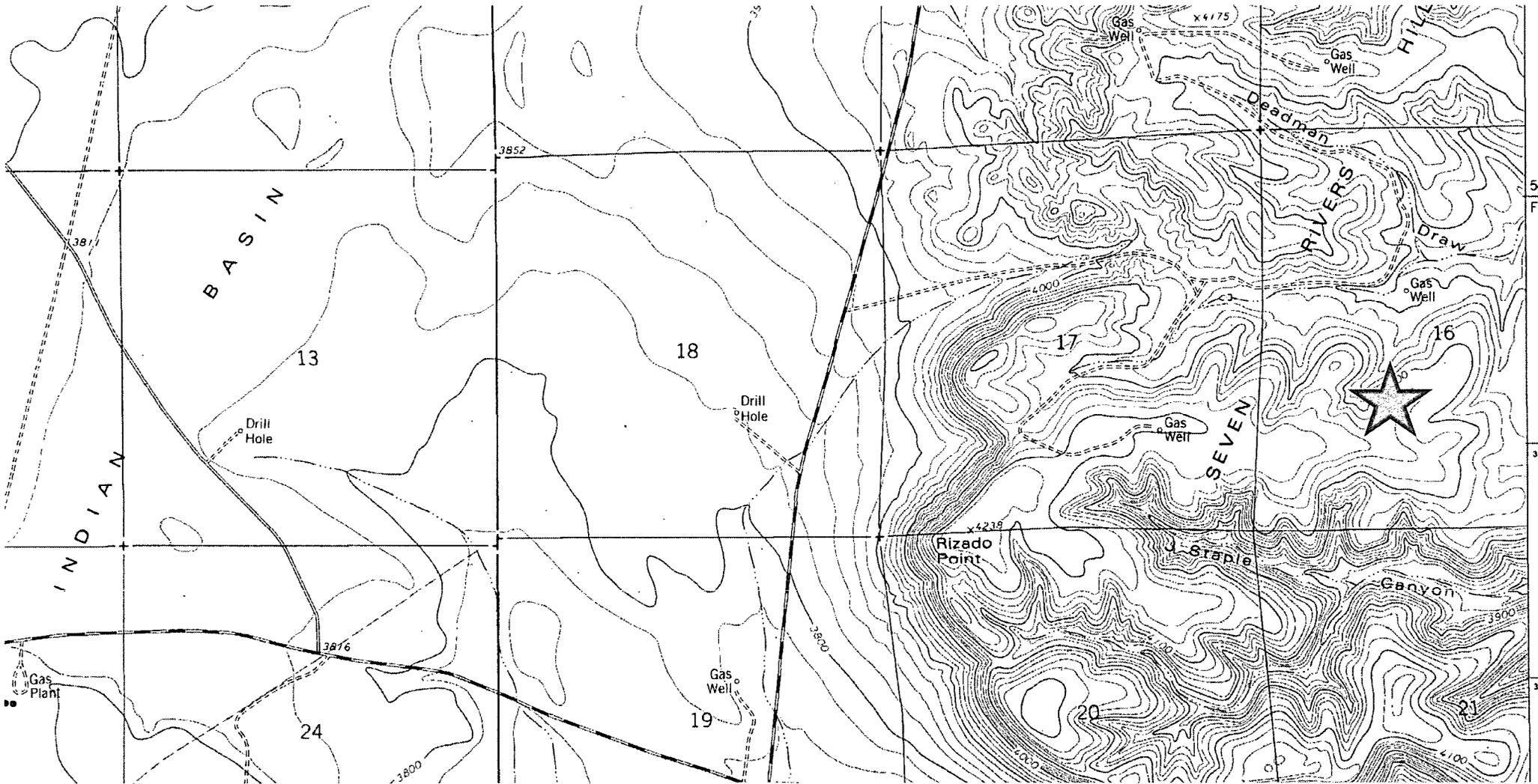
CONTOUR INTERVAL, 20 FEET
METERS ON OTHER EDITIONS OF 1959



MARTHA CREEK, N. MEX.
1:50,000 Scale
Geographic Edition of 1959

Oxy

Indian Hills Unit #39



Laboratory Analytical Results Summary
Indian Hills #39

		Sample	SP1 @ 1'	SP1 @ 2'
Analyte	Method	Date	1/23/14	1/23/14
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		<0.050	<0.050
Toluene	BTEX 8021B		<0.050	0.131
Ethylbenzene	BTEX 8021B		0.142	0.183
Total Xylenes	BTEX 8021B		1.43	1.21
Total BTEX	BTEX 8021B		1.58	1.53
Chloride	SM4500Cl-B		272	176
GRO	TPH 8015M		44.4	10.2
DRO	TPH 8015M		1750	623

		Sample	SP2 @ 1'	SP2 @ 2'
Analyte	Method	Date	1/23/14	1/23/14
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		<0.050	<0.050
Toluene	BTEX 8021B		0.136	0.055
Ethylbenzene	BTEX 8021B		0.251	0.063
Total Xylenes	BTEX 8021B		2.06	0.444
Total BTEX	BTEX 8021B		2.45	0.562
Chloride	SM4500Cl-B		192	192
GRO	TPH 8015M		28.2	<10.0
DRO	TPH 8015M		1140	556

		Sample	SP3 @ 1'
Analyte	Method	Date	1/23/14
			mg/Kg
Benzene	BTEX 8021B		<0.050
Toluene	BTEX 8021B		<0.050
Ethylbenzene	BTEX 8021B		0.063
Total Xylenes	BTEX 8021B		0.438
Total BTEX	BTEX 8021B		0.501
Chloride	SM4500Cl-B		176
GRO	TPH 8015M		11.5
DRO	TPH 8015M		633

January 31, 2014

Cliff Brunson
BBC International, Inc.
P.O. Box 805
Hobbs, NM 88241

RE: INDIAN HILLS #39

Enclosed are the results of analyses for samples received by the laboratory on 01/27/14 9:00.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene
Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 01/27/2014
 Reported: 01/31/2014
 Project Name: INDIAN HILLS #39
 Project Number: NONE GIVEN
 Project Location: INDIAN BASIN

 Sampling Date: 01/23/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Kathy Perez

Sample ID: SP 1 @ 1' (H400246-01)

BTEX 8021B		mg/kg		Analyzed By: MS				S-04		
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/31/2014	ND	2.44	122	2.00	0.161		
Toluene*	<0.050	0.050	01/31/2014	ND	2.37	119	2.00	0.245		
Ethylbenzene*	0.142	0.050	01/31/2014	ND	2.36	118	2.00	0.0847		
Total Xylenes*	1.43	0.150	01/31/2014	ND	6.86	114	6.00	0.152		
Total BTEX	1.58	0.300	01/31/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIC) 162 % 89.4-126

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	272	16.0	01/30/2014	ND	400	100	400	0.00		

TPH 8015M		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	44.4	10.0	01/28/2014	ND	192	96.2	200	0.594		
DRO >C10-C28	1750	10.0	01/28/2014	ND	183	91.4	200	2.51		

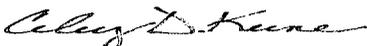
Surrogate: 1-Chlorooctane 113 % 65.2-140

Surrogate: 1-Chlorooctadecane 125 % 63.6-154

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

Received:	01/27/2014	Sampling Date:	01/23/2014
Reported:	01/31/2014	Sampling Type:	Soil
Project Name:	INDIAN HILLS #39	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	INDIAN BASIN		

Sample ID: SP 1 @ 2' (H400246-02)

BTEX 8021B		mg/kg		Analyzed By: MS				S-04		
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434		
Toluene*	0.131	0.050	01/30/2014	ND	2.35	117	2.00	0.0933		
Ethylbenzene*	0.183	0.050	01/30/2014	ND	2.32	116	2.00	0.108		
Total Xylenes*	1.21	0.150	01/30/2014	ND	6.88	115	6.00	1.47		
Total BTEX	1.53	0.300	01/30/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIC) 161 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	176	16.0	01/30/2014	ND	400	100	400	0.00		

TPH 8015M		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	10.2	10.0	01/28/2014	ND	192	96.2	200	0.594		
DRO >C10-C28	623	10.0	01/28/2014	ND	183	91.4	200	2.51		

Surrogate: 1-Chlorooctane 94.4 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

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*=Accredited Analyte

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 Cliff Brunson
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 Hobbs NM, 88241
 Fax To: (575) 397-0397

Received:	01/27/2014	Sampling Date:	01/23/2014
Reported:	01/31/2014	Sampling Type:	Soil
Project Name:	INDIAN HILLS #39	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	INDIAN BASIN		

Sample ID: SP 2 @ 1' (H400246-03)

BTEX 8021B		mg/kg		Analyzed By: MS				S-04		
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434		
Toluene*	0.136	0.050	01/30/2014	ND	2.35	117	2.00	0.0933		
Ethylbenzene*	0.251	0.050	01/30/2014	ND	2.32	116	2.00	0.108		
Total Xylenes*	2.06	0.150	01/30/2014	ND	6.88	115	6.00	1.47		
Total BTEX	2.45	0.300	01/30/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIE) 170 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	192	16.0	01/30/2014	ND	400	100	400	0.00		

TPH 8015M		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	28.2	10.0	01/28/2014	ND	192	96.2	200	0.594		
DRO >C10-C28	1140	10.0	01/28/2014	ND	183	91.4	200	2.51		

Surrogate: 1-Chlorooctane 93.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 111 % 63.6-154

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Received:	01/27/2014	Sampling Date:	01/23/2014
Reported:	01/31/2014	Sampling Type:	Soil
Project Name:	INDIAN HILLS #39	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	INDIAN BASIN		

Sample ID: SP 2 @ 2' (H400246-04)

BTEX 8021B		mg/kg		Analyzed By: MS					S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434		
Toluene*	0.055	0.050	01/30/2014	ND	2.35	117	2.00	0.0933		
Ethylbenzene*	0.063	0.050	01/30/2014	ND	2.32	116	2.00	0.108		
Total Xylenes*	0.444	0.150	01/30/2014	ND	6.88	115	6.00	1.47		
Total BTEX	0.562	0.300	01/30/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIE) 130 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	192	16.0	01/30/2014	ND	400	100	400	0.00		

TPH 8015M		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	01/28/2014	ND	192	96.2	200	0.594		
DRO >C10-C28	556	10.0	01/28/2014	ND	183	91.4	200	2.51		

Surrogate: 1-Chlorooctane 95.5 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

Cardinal Laboratories

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Received:	01/27/2014	Sampling Date:	01/23/2014
Reported:	01/31/2014	Sampling Type:	Soil
Project Name:	INDIAN HILLS #39	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	INDIAN BASIN		

Sample ID: SP 3 @ 1' (H400246-05)

BTEX 8021B		mg/kg		Analyzed By: MS				S-04		
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434		
Toluene*	<0.050	0.050	01/30/2014	ND	2.35	117	2.00	0.0933		
Ethylbenzene*	0.063	0.050	01/30/2014	ND	2.32	116	2.00	0.108		
Total Xylenes*	0.438	0.150	01/30/2014	ND	6.88	115	6.00	1.47		
Total BTEX	0.501	0.300	01/30/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIE) 130 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	176	16.0	01/30/2014	ND	400	100	400	0.00		

TPH 8015M		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	11.5	10.0	01/28/2014	ND	192	96.2	200	0.594		
DRO >C10-C28	633	10.0	01/28/2014	ND	183	91.4	200	2.51		

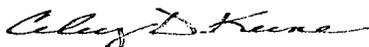
Surrogate: 1-Chlorooctane 94.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

- S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Jennifer Gilkey

From: Cliff P. Brunson <cbrunson@bbcinternational.com>
Sent: Sunday, April 06, 2014 4:50 PM
To: Mike Bratcher
Cc: Chris Jones; Ken Swinney; Jennifer Gilkey; Kathy Purvis
Subject: OXY-Indian Hills Unit #39-Remediation Plan
Attachments: Remediation Packet, Indian Hills Unit #39.pdf

Mike,

This e-mail is to confirm our conversation on April 1, 2014 about the remediation plan for the above referenced site. I have attached the materials that we used in our discussion. As discussed, Oxy will excavate to a depth of 2 feet in the leak area around SP1 and SP2 that is depicted on the attached site diagram. In the area of SP3, the excavation will be 1 foot. Then the site will then be backfilled with clean soil.

If you would please e-mail your concurrence with this remediation plan, it would be greatly appreciated.

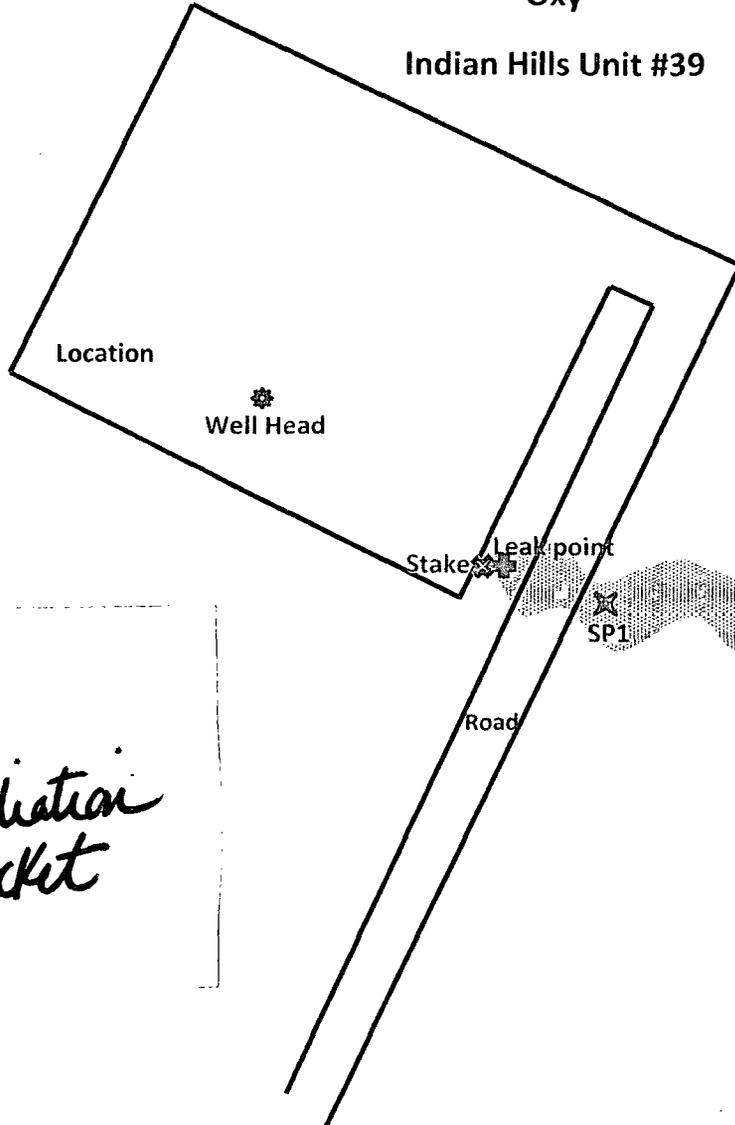
Thanks, Cliff

Cliff P. Brunson, CEI, CRS
President
BBC International, Inc.
World-Wide Environmental Specialists
Mailing Address:
P. O. Box 805
Hobbs, NM 88241-0805 USA
Shipping Address:
1324 W. Marland St.
Hobbs, NM 88240 USA
Phone: (575) 397-6388
Fax: (575) 397-0397
E-Mail: cbrunson@bbcinternational.com

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Oxy
Indian Hills Unit #39



Remediation Packet

U/L K, Section 16, T21S, R24E
1690'FSL, 1701'FEL
Eddy County, NM
GPS at stake: N 32.47631° N 104.50565°
API# 30-015-32103

BBC International, Inc.	
Oxy	
Indian Hills Unit #39	
Date: 01/27/2014	DRWG by: K. Purvis
NOT TO SCALE	File: Oxy 2014



Groundwater Plot

Oxy Indian Hills Unit #39

County
Eddy

Unit Letter
K

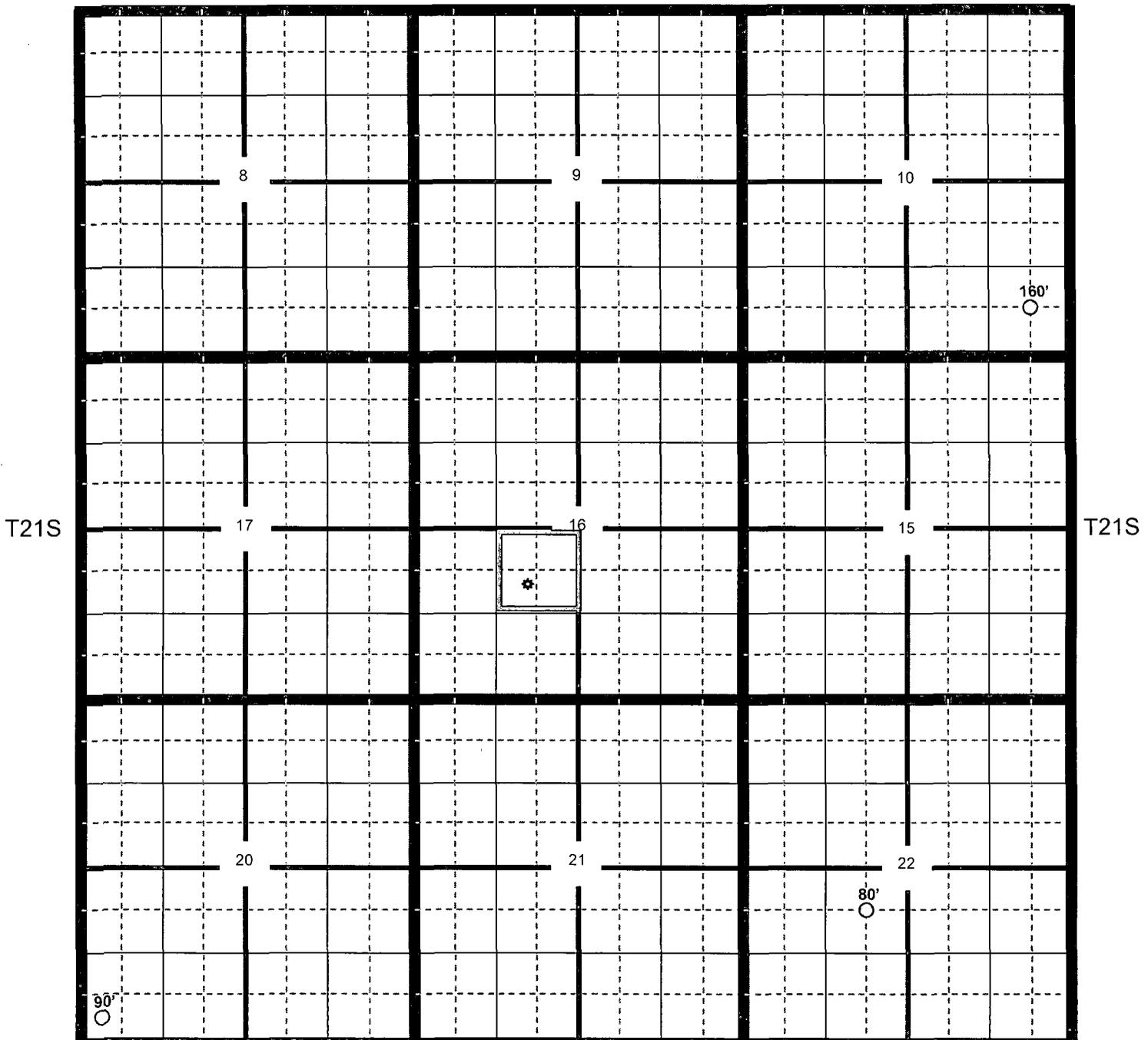
Section
16

Township
21S

Range
24E

Trend Map <50'

R24E



★ Location ○ OCD ○ USGS ○ SEO ● All Databases



Section Quarters

Oxy Indian Hills Unit #39

<i>County</i> Eddy	<i>Unit Letter</i> K	<i>Section</i> 16	<i>Township</i> 21S	<i>Range</i> 24E
-----------------------	-------------------------	----------------------	------------------------	---------------------

Trend Map <50'

1

2

NW/NW None found	NE/NW	NW/NE	NE/NE
Unit Letter D	Unit Letter C	Unit Letter B	Unit Letter A
SW/NW	SE/NW	SW/NE	SE/NE
Unit Letter E	Unit Letter F	Unit Letter G	Unit Letter H
NW/SW	NE/SW * Unit Letter K	NW/SE	NE/SE
Unit Letter L	Unit Letter J	Unit Letter I	
SW/SW	SE/SW	SW/SE	SE/SE
Unit Letter M	Unit Letter N	Unit Letter O	Unit Letter P

3

4

* Location ○ OCD ○ USGS ○ SEO ● All Databases

**Laboratory Analytical Results Summary
Indian Hills #39**

		Sample	SP1 @ 1'	SP1 @ 2'
Analyte	Method	Date	1/23/14	1/23/14
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		<0.050	<0.050
Toluene	BTEX 8021B		<0.050	0.131
Ethylbenzene	BTEX 8021B		0.142	0.183
Total Xylenes	BTEX 8021B		1.43	1.21
Total BTEX	BTEX 8021B		1.58	1.53
Chloride	SM4500Cl-B		272	176
GRO	TPH 8015M		44.4	10.2
DRO	TPH 8015M		1750	623

		Sample	SP2 @ 1'	SP2 @ 2'
Analyte	Method	Date	1/23/14	1/23/14
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		<0.050	<0.050
Toluene	BTEX 8021B		0.136	0.055
Ethylbenzene	BTEX 8021B		0.251	0.063
Total Xylenes	BTEX 8021B		2.06	0.444
Total BTEX	BTEX 8021B		2.45	0.562
Chloride	SM4500Cl-B		192	192
GRO	TPH 8015M		28.2	<10.0
DRO	TPH 8015M		1140	556

		Sample	SP3 @ 1'
Analyte	Method	Date	1/23/14
			mg/Kg
Benzene	BTEX 8021B		<0.050
Toluene	BTEX 8021B		<0.050
Ethylbenzene	BTEX 8021B		0.063
Total Xylenes	BTEX 8021B		0.438
Total BTEX	BTEX 8021B		0.501
Chloride	SM4500Cl-B		176
GRO	TPH 8015M		11.5
DRO	TPH 8015M		633

January 31, 2014

Cliff Brunson
BBC International, Inc.
P.O. Box 805
Hobbs, NM 88241

RE: INDIAN HILLS #39

Enclosed are the results of analyses for samples received by the laboratory on 01/27/14 9:00.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Caley D. Keene
Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 01/27/2014
 Reported: 01/31/2014
 Project Name: INDIAN HILLS #39
 Project Number: NONE GIVEN
 Project Location: INDIAN BASIN

 Sampling Date: 01/23/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Kathy Perez

Sample ID: SP 1 @ 1' (H400246-01)

BTEX 8021B		mg/kg		Analyzed By: MS				S-04		
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/31/2014	ND	2.44	122	2.00	0.161		
Toluene*	<0.050	0.050	01/31/2014	ND	2.37	119	2.00	0.245		
Ethylbenzene*	0.142	0.050	01/31/2014	ND	2.36	118	2.00	0.0847		
Total Xylenes*	1.43	0.150	01/31/2014	ND	6.86	114	6.00	0.152		
Total BTEX	1.58	0.300	01/31/2014	ND						

Surrogate: 4-Bromofluorobenzene (PID) 162 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	272	16.0	01/30/2014	ND	400	100	400	0.00		

TPH 8015M		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	44.4	10.0	01/28/2014	ND	192	96.2	200	0.594		
DRO >C10-C28	1750	10.0	01/28/2014	ND	183	91.4	200	2.51		

Surrogate: 1-Chlorooctane 113 % 65.2-140

Surrogate: 1-Chlorooctadecane 125 % 63.6-154

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 01/27/2014
 Reported: 01/31/2014
 Project Name: INDIAN HILLS #39
 Project Number: NONE GIVEN
 Project Location: INDIAN BASIN

 Sampling Date: 01/23/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Kathy Perez

Sample ID: SP 1 @ 2' (H400246-02)

BTEX 8021B		mg/kg		Analyzed By: MS					S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434		
Toluene*	0.131	0.050	01/30/2014	ND	2.35	117	2.00	0.0933		
Ethylbenzene*	0.183	0.050	01/30/2014	ND	2.32	116	2.00	0.108		
Total Xylenes*	1.21	0.150	01/30/2014	ND	6.88	115	6.00	1.47		
Total BTEX	1.53	0.300	01/30/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIE) 161 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	176	16.0	01/30/2014	ND	400	100	400	0.00		

TPH 8015M		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	10.2	10.0	01/28/2014	ND	192	96.2	200	0.594		
DRO >C10-C28	623	10.0	01/28/2014	ND	183	91.4	200	2.51		

Surrogate: 1-Chlorooctane 94.4 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

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* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

Received:	01/27/2014	Sampling Date:	01/23/2014
Reported:	01/31/2014	Sampling Type:	Soil
Project Name:	INDIAN HILLS #39	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	INDIAN BASIN		

Sample ID: SP 2 @ 1' (H400246-03)

BTEX 8021B	mg/kg	Analyzed By: MS				S-04				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434		
Toluene*	0.136	0.050	01/30/2014	ND	2.35	117	2.00	0.0933		
Ethylbenzene*	0.251	0.050	01/30/2014	ND	2.32	116	2.00	0.108		
Total Xylenes*	2.06	0.150	01/30/2014	ND	6.88	115	6.00	1.47		
Total BTEX	2.45	0.300	01/30/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIC) 170 % 89.4-126

Chloride, SM4500Cl-B	mg/kg	Analyzed By: AP								
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	192	16.0	01/30/2014	ND	400	100	400	0.00		

TPH 8015M	mg/kg	Analyzed By: ms								
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	28.2	10.0	01/28/2014	ND	192	96.2	200	0.594		
DRO >C10-C28	1140	10.0	01/28/2014	ND	183	91.4	200	2.51		

Surrogate: 1-Chlorooctane 93.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 111 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 01/27/2014
 Reported: 01/31/2014
 Project Name: INDIAN HILLS #39
 Project Number: NONE GIVEN
 Project Location: INDIAN BASIN

 Sampling Date: 01/23/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Kathy Perez

Sample ID: SP 2 @ 2' (H400246-04)

BTEX 8021B		mg/kg		Analyzed By: MS				S-04		
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434		
Toluene*	0.055	0.050	01/30/2014	ND	2.35	117	2.00	0.0933		
Ethylbenzene*	0.063	0.050	01/30/2014	ND	2.32	116	2.00	0.108		
Total Xylenes*	0.444	0.150	01/30/2014	ND	6.88	115	6.00	1.47		
Total BTEX	0.562	0.300	01/30/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIE) 130 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	192	16.0	01/30/2014	ND	400	100	400	0.00		

TPH 8015M		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	01/28/2014	ND	192	96.2	200	0.594		
DRO >C10-C28	556	10.0	01/28/2014	ND	183	91.4	200	2.51		

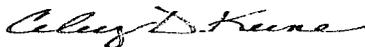
Surrogate: 1-Chlorooctane 95.5 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 01/27/2014
 Reported: 01/31/2014
 Project Name: INDIAN HILLS #39
 Project Number: NONE GIVEN
 Project Location: INDIAN BASIN

 Sampling Date: 01/23/2014
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Kathy Perez

Sample ID: SP 3 @ 1' (H400246-05)

BTEX 8021B		mg/kg		Analyzed By: MS				S-04		
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	01/30/2014	ND	2.39	120	2.00	0.434		
Toluene*	<0.050	0.050	01/30/2014	ND	2.35	117	2.00	0.0933		
Ethylbenzene*	0.063	0.050	01/30/2014	ND	2.32	116	2.00	0.108		
Total Xylenes*	0.438	0.150	01/30/2014	ND	6.88	115	6.00	1.47		
Total BTEX	0.501	0.300	01/30/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIC) 130 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	176	16.0	01/30/2014	ND	400	100	400	0.00		

TPH 8015M		mg/kg		Analyzed By: ms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	11.5	10.0	01/28/2014	ND	192	96.2	200	0.594		
DRO >C10-C28	633	10.0	01/28/2014	ND	183	91.4	200	2.51		

Surrogate: 1-Chlorooctane 94.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 103 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

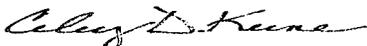
Notes and Definitions

- S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



ARDINAL LABORATORIES
 101 East Marland, Hobbs, NM 88240
 (505) 393-2326 FAX (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: BBC International, Inc.				BILL TO				ANALYSIS REQUEST													
Project Manager: Cliff Brunson				P.O. #:																	
Address: P.O. Box 805				Company:																	
City: Hobbs		State: NM		Zip: 88241		Attn:															
Phone #: 575-397-6388		Fax #: 575-397-0397		Address: SAME																	
Project #:		Project Owner: OKY		City:																	
Project Name: Indian Hills #39				State: Zip:																	
Project Location: Indian Basin				Phone #:																	
Sampler Name: Rocel Hernandez				Fax #:																	
FOR LAB USE ONLY																					
Lab I.D.		Sample I.D.		# CONTAINERS	MATRIX				PRESERV.		SAMPLING										
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE/COOL	OTHER:	DATE		TIME						
H400246		SP 1 @ 1		001		✓				✓			1-23-14		929		TPA				
1		e2		001		✓				✓			1-23-14		945		BTX				
3		SP 2 @ 1		001		✓				✓			1-25-14		1048		CL-				
4		2		001		✓				✓			1-23-14		1121						
5		SP 3 @ 1		001		✓				✓			1-23-14		1210						

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By:		Date: 1-24-14		Received By:		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No		Add'l Phone #:	
Time: 1:27-14		Date: 1-27-14		Time: 9:00		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No		Add'l Fax #:	
Relinquished By:		Date:		Received By:		REMARKS:			
Time:		Date:		Time:					
Delivered By: (Circle One)		Sample Condition		CHECKED BY:					
Sampler - UPS - Bus - Other: 1.0 e		Cool Intact		(Initials)					
		<input type="checkbox"/> Yes <input type="checkbox"/> No		LP					

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

#34

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 2 Copies 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.	Contact	Christopher Jones
Address	1502 W. Commerce Dr., Carlsbad, NM	Telephone No.	(575) 628-4121
Facility Name	Indian Hills Unit #39	Facility Type	Well Location

Surface Owner	BLM	Mineral Owner		API No.	30-015-32103
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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
K	16	21S	24E	1690	South	1701	East	Eddy County, NM

Latitude N 32.47646° Longitude W 104.50610°

NATURE OF RELEASE

Type of Release	Oil and Produced water	Volume of Release	4 bbls oil, 106 bbls produced water	Volume Recovered	0 bbls
Source of Release	6" steel production flow line	Date and Hour of Occurrence	01/07/2014	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, JeanMarie Warren-NMOCD, James Amos-BLM, Jennifer Van Curen-BLM		
By Whom?	Jennifer Gilkey, BBC International	Date and Hour	12/30/2013 @ 12:45 pm		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

NM OIL CONSERVATION

If a Watercourse was Impacted, Describe Fully.*

ARTESIA DISTRICT
JUN 06 2014

RECEIVED

Describe Cause of Problem and Remedial Action Taken.*
A leak in a 6" steel production flow line caused 4 bbls of oil and 106 bbls of produced water to leak onto the ground. No fluids were recovered and the line was repaired.

Describe Area Affected and Cleanup Action Taken.*
The affected area is approximately 20' x 400' on and off location. Remediation will be completed 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: Christopher Jones	Approved by District Supervisor:		
Title: HES Specialist	Approval Date:	Expiration Date:	
E-mail Address: Christopher.Jones@oxy.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 1/9/14	Phone: (575) 628-4121		

* Attach Additional Sheets If Necessary