

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 | Old Ranch Knoll 8 Federal #6 | Facility Type | |

| | | | | | |
|---------------|-----|---------------|--|-----------|------------------|
| Surface Owner | BLM | Mineral Owner | | Lease No. | API#30-015-32295 |
|---------------|-----|---------------|--|-----------|------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|-----------------|
| G | 8 | 22S | 24E | 2120 | North | 1600 | East | Eddy County, NM |

Latitude N 32.40723° Longitude W 104.51700

NATURE OF RELEASE

| | | | | | |
|-----------------------------|-----------------------------------------------------------------------------------------------------------|-------------------------------------------|--------------------------------------------------------|----------------------------|---------|
| Type of Release | Produced water | Volume of Release | 100 bbls | Volume Recovered | 70 bbls |
| Source of Release | 3" steel water line from discharge side of 3 phase separator | Date and Hour of Occurrence | 1/15/13 | 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- OCD, James Amos-BLM, Terry Gregston-BLM | | |
| By Whom? | Christopher Jones | Date and Hour | 1/16/13 @ 7:20 am | | |
| Was a Watercourse Reached? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | | | |

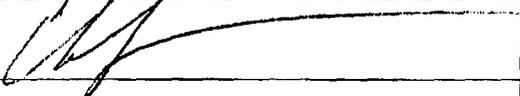
RECEIVED
AUG 12 2013
NMOCD ARTESIA

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
A 3" steel water line from the discharge side of the 3 phase separator broke causing 100 bbls of produced water to leak onto the ground. 70 bbls were recovered via vacuum truck. The well is going to be plugged.

Describe Area Affected and Cleanup Action Taken.*
The area affected is approximately 175' x 80'. A 3" steel water line from the discharge side of the 3 phase separator broke causing 100 bbls of produced water to leak onto the ground. 70 bbls were recovered via vacuum truck. The well is going to be plugged. Remediation was completed in accordance with a remediation plan approved by Mike Bratcher of NMOCD via email on 04/05/2013 and approved by James Amos of the BLM via email on 04/12/2013.

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: |  |
| Title: | HES Specialist | Approval Date: | 8/27/14 |
| E-mail Address: | Christopher.Jones@oxy.com | Expiration Date: | NA |
| Date: | 8-9-13 | Conditions of Approval: | Final |
| Phone: | (575) 628-4121 | Attached | <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

2RP-1522