

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

RECEIVED

MAR 25 2013

ARTESIA

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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 (192463) | Contact : Chris Jones |
| Address : 1502 W. Commerce, Carlsbad, NM 88220 | Telephone No. : 575-628-4121 |
| Facility Name : McKittrick 11-5 SWD Facility | Facility Type: SWD Facility |

| | | |
|-----------------|---------------|--------------------------------------------|
| Surface Owner : | Mineral Owner | Lease No. : NM 53219 API#: 30-015-33611 |
|-----------------|---------------|--------------------------------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| L | 11 | 22S | 24E | | | | | Eddy |

Latitude 32.40989 Longitude 104.47355

NATURE OF RELEASE

| | | |
|------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|---------------------------------------|
| Type of Release : Produced Water | Volume of Release : 3500 bbls | Volume Recovered: 500 |
| Source of Release : 8" Poly line split | Date and Hour of Occurrence: 2/20/2013 | Date and Hour of Discovery: 2/20/2013 |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Voicemail: OCD & BLM: Jim Amos | |
| By Whom? CJ Summers (Oxy) | Date and Hour : 2/20/2013 | |
| Was a Watercourse Reached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | |

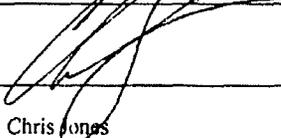
If a Watercourse was Impacted, Describe Fully.* Produced fluids exited location and flowed into Little Water Draw, an ephemeral water course that runs only during precipitous events.

Describe Cause of Problem and Remedial Action Taken.*

An 8" pipeline split at the 45 degree joint causing a release of approximately 3500 bbls of produced fluids. Emergency response included immediate shut-in of the pipeline to stop leak and vac trucks on site to pick up all standing fluids within the draw.

Describe Area Affected and Cleanup Action Taken.* The area impacted was 3,676-feet down the draw and varied from 18" in some areas to 4-8 feet wide in others. Talon/LPE was contacted to complete the site assessment. Talon collected soil and water samples and the laboratory results are attached. A site map and water data from the State Engineers office are also attached. All standing water down the draw was picked up. Due to the draw being in an archeological site any further remediation will disturb the area. The analytical data came back under the Recommend Remedial Actions Levels. No further actions should be required.

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 Accepted for record NMOCD 5/11/15 | |
| Printed Name: Chris Jones | Approved by District Supervisor: | |
| Title: HES Specialist | Approval Date: | Expiration Date: |
| E-mail Address: Christopher_Jones@ocy.com | Conditions of Approval: ERAC's not met | Attached <input type="checkbox"/> |
| Date: 3/5/2013 Phone: 575-628-4121 | | |

* Attach Additional Sheets If Necessary

Site ranking incorrect => should be
