

Closure Report

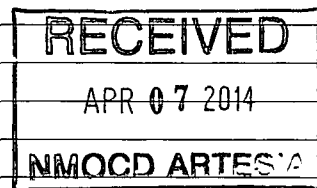
Site Description	
Site Name:	Lost Tank 35 State SWD #1
Company:	Oxy Permian Ltd.
Legal Description:	U/L J, Section 35, T21S, R31E
County:	Eddy County, NM
GPS Coordinates:	N 32.43249° W 103.74563°

Release Data	
Date of Release:	11/4/2013
Type of Release:	Produced water
Source of Release:	Transfer line
Volume of Release:	108 bbls
Volume Recovered:	80 bbls

Remediation Specifications	
Remediation Parameters:	Excavate to a depth of 2 feet in the areas of SP1. Drag the rest of the spill area. Backfill the site with clean soil.
Remediation Activities:	03/25/2014 to 03/27/2014

Plan Sent to OCD:	02/21/2014	Email from Cliff Brunson to Mike Bratcher
OCD Approval of Plan:	Verbal	Verbal approval from Mike Bratcher
Plan Sent to BLM:	n/a	n/a
BLM Approval of Plan:	n/a	n/a

Supporting Documentation	
Initial C-141	Signed 11/05/2013
Final C-141	Signed 04/01/2014
Site Diagram	March 2013
Groundwater Plot	125'-150'
TOPO Maps	March 2013
Lab Summary	01/20/2014
Lab Analysis	01/20/2014
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.	04/04/2014

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

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: Occidental Permian	Contact:
Address: 6 Desta Drive Suite 6000 Midland, TX 79705	Telephone No.
Facility Name: Lost Tank 35 State SWDI	Facility Type: Drilling Location

Surface Owner: New Mexico State	Mineral Owner: Occidental Permian	API No. 30-015-40890
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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
J	35	215	31 east	1.753	South	1.875	East	Eddy

Latitude 32.4324958 N Longitude 103.7456329 W

NATURE OF RELEASE

Type of Release: Brine Drilling Fluid	Volume of Release: 108 bbls	Volume Recovered: 80 bbls
Source of Release: Transfer line	Date and Hour of Occurrence: 11/4/13 2030 hrs	Date and Hour of Discovery: 11/4/13 2030 hrs
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? NM State Artesia office/ voice mail on Hot Line	
By Whom? Delbert Willeford	Date and Hour: 2130 Hrs 11/4/13	
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.*

Transfer lines were open ended after being rigged up but tied into a centrifugal pump on pits. A valve was not checked when starting a mix pump and the mud was released through the transfer lines.

Describe Area Affected and Cleanup Action Taken.*

Ten barrels run off location. Vacuum trucks were immediately called and spill was mainly contained on location pad. Contacted BBC International for evaluation and clean up.

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>C. F. Bullard Jr.</u>		OIL CONSERVATION DIVISION	
Printed Name: Charles F. Bullard Jr		Approved by Environmental Specialist:	
Title: Drilling HES Ops Advisor	Approval Date:	Expiration Date:	
E-mail Address: Charles_Bullard@oxy.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 11/5/13	Phone: 432-894-3769		

* Attach Additional Sheets If Necessary

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State of New Mexico
Energy Minerals and Natural Resources

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1220 South St. Francis Dr.
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Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company	Occidental Permian	Contact	Charles F. Bullard Jr.
Address	6 Desta Drive, Ste. 6000, Midland, TX 79705	Telephone No.	(432) 685-5719
Facility Name	Lost Tank 35 State SWD #1	Facility Type	Drilling Location
Surface Owner	State	Mineral Owner	Oxy
		API No.	30-015-40890

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	35	21S	31E	1753	South	1875	East	Eddy County, NM

Latitude N 32.43249° Longitude W 103.74563°

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	108 bbls	Volume Recovered	80 bbls
Source of Release	Transfer line	Date and Hour of Occurrence	11/4/13 @ 8:30 pm	Date and Hour of Discovery	11/4/13 @ 8:30 pm
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	NM State, Artesia Office/Voice mail hot line		
By Whom?	Delbert Willeford	Date and Hour	11/4/13 @ 9:30 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.*

Transfer lines were open ended after being rigged up but tied into a centrifugal pump on pits. A valve was not checked when starting a mix pump and the mud was released through the transfer lines. A vacuum truck recovered 80 bbls of produced water and the valve was closed.

Describe Area Affected and Cleanup Action Taken.*

The area affected was approximately 100' x 80' on the north end of the location both on and off the well pad. Remediation was completed in accordance with the remediation plan verbally approved by Mike Bratcher of NMOCD.

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

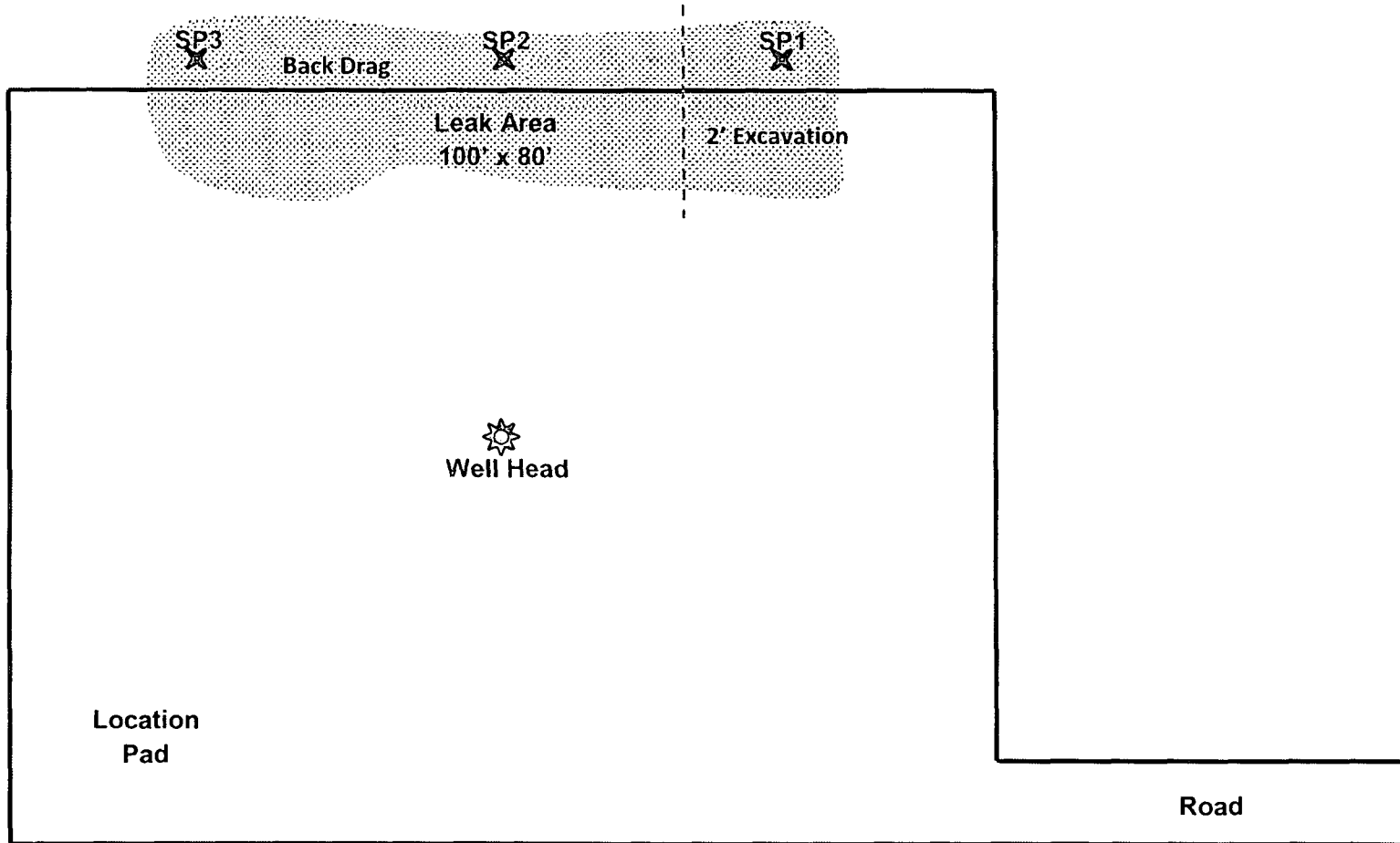
Signature: <i>C. F. Bullard Jr.</i>	Approved by Environmental Specialist:		
Printed Name: Charles F. Bullard Jr.			
Title: Drilling HES Ops Advisor	Approval Date:	Expiration Date:	
E-mail Address: Charles.Bullard@oxy.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: <i>11-1-14</i>	Phone: (432) 894-3769		

* Attach Additional Sheets If Necessary



Oxy

Lost Tank 35 State SWD #1



U/L J, Section 35, T21S, R31E
Eddy County, NM
N 32.43249° W 103.74563°
API# 30-015-40890

BBC International, Inc.	
Oxy	
Lost Tank 35 State SWD #1	
Date: 03/27/2013	DRWG by: K. Purvis
NOT TO SCALE	File: Oxy 2013

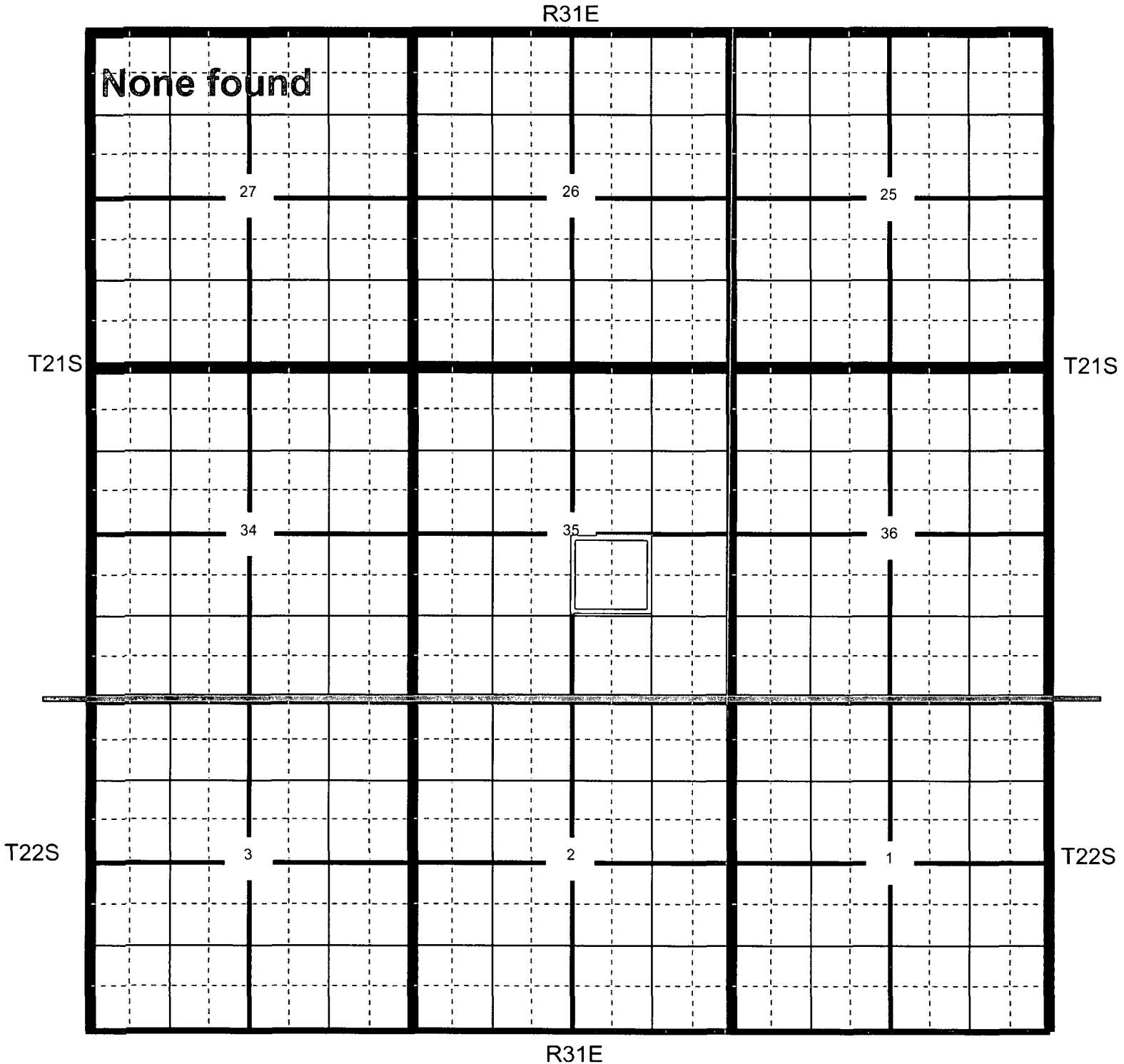


Groundwater Plot

Oxy Lost Tank 35 State SWD #1

County Eddy Unit Letter J Section 35 Township 21S Range 31E

Trend Map 125'-150'



Oxy Lost Tank 35 State SWD #1

County Eddy	Unit Letter J	Section 35	Township 21S	Range 31E
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Trend Map 125'-150'

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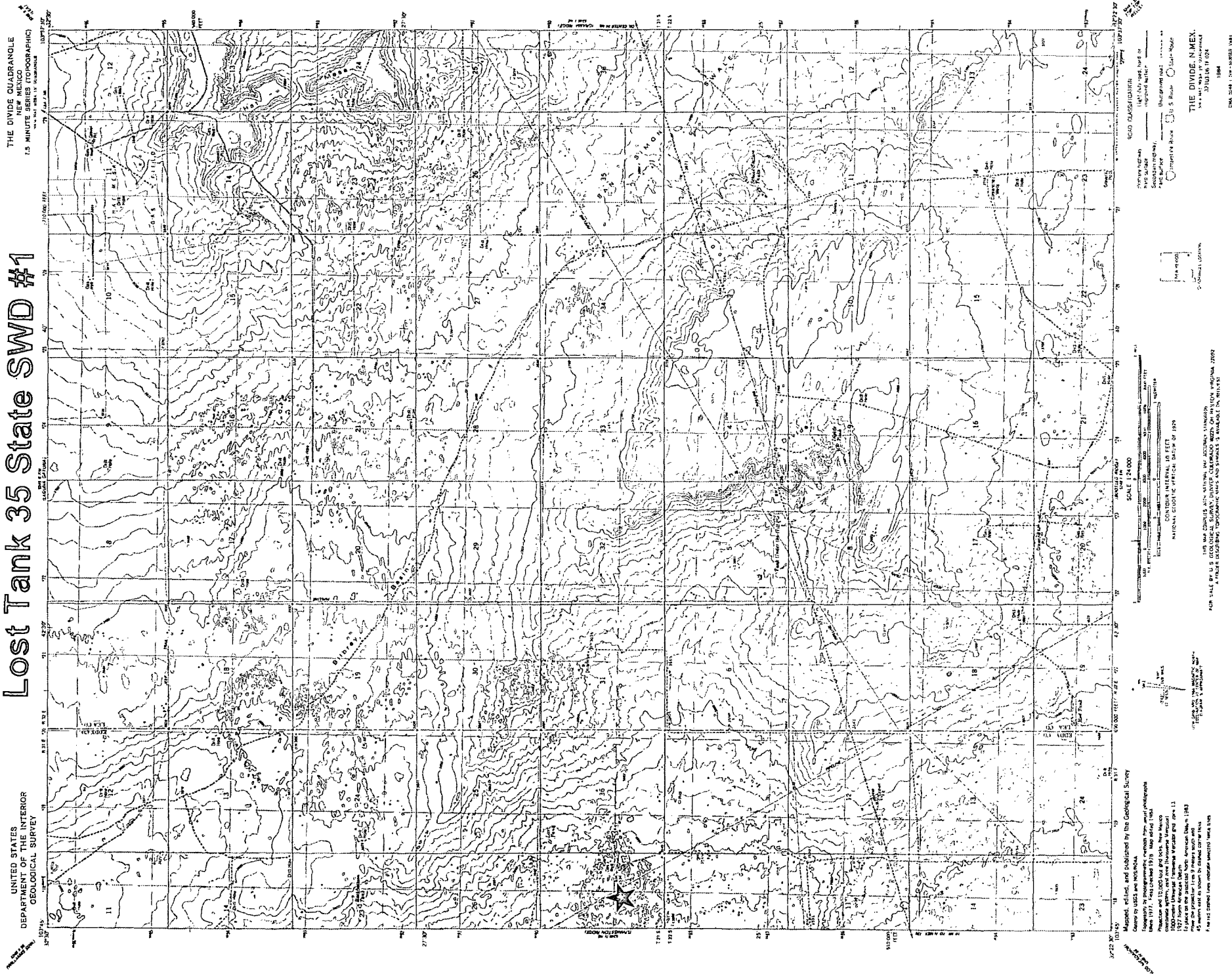
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NW/NW None found	NE/NW	NW/NE	NE/NE
Unit Letter D	Unit Letter C	Unit Letter B	Unit Letter A
SW/NW	SE/NW	SW/NE	SE/NE
Unit Letter E	Unit Letter F	Unit Letter G	Unit Letter H
NW/SW	NE/SW	NW/SE	NE/SE
Unit Letter L	Unit Letter K	Unit Letter J	Unit Letter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

3

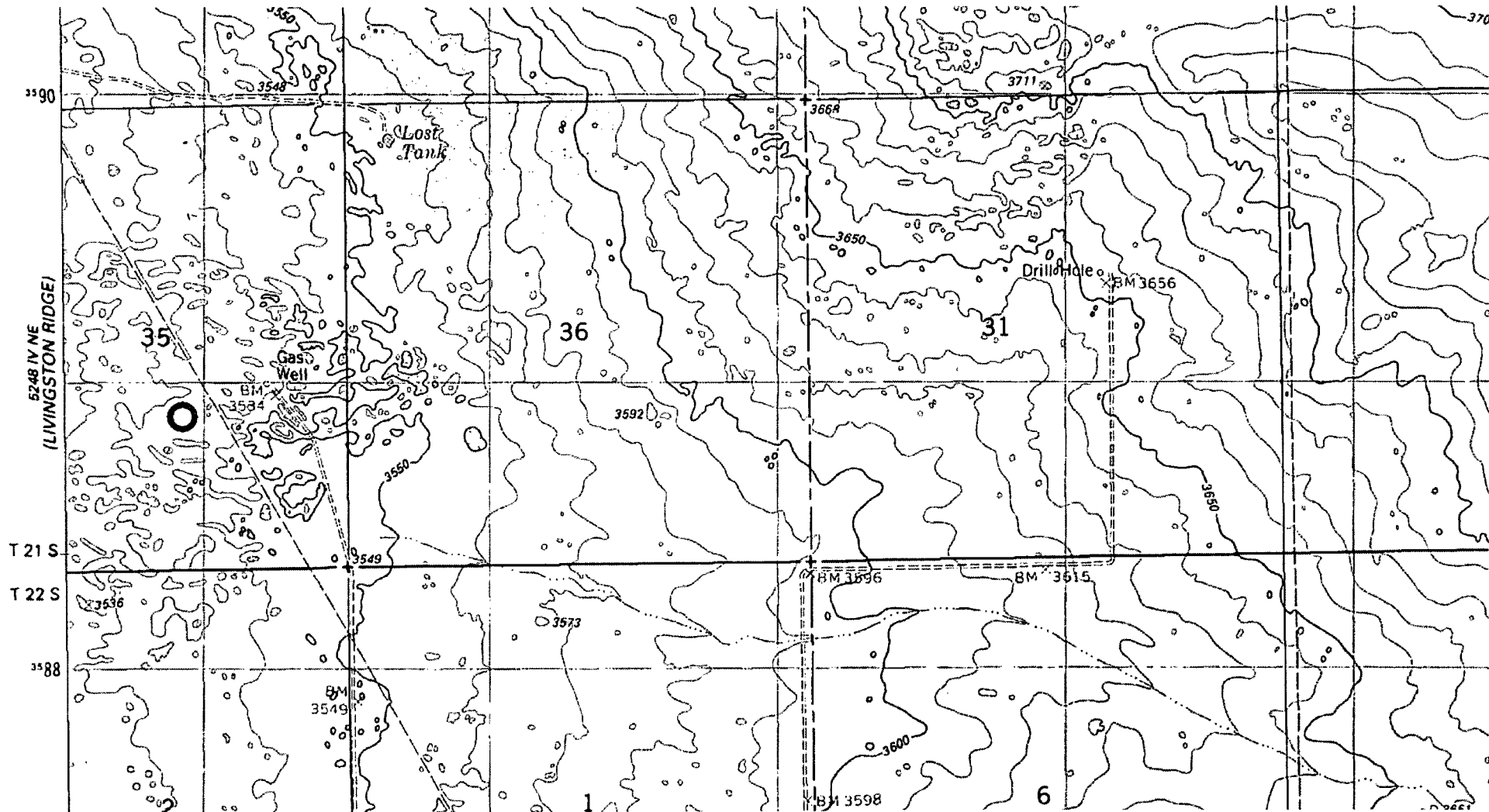
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THE DIVIDE QUADRANGLE
NEW MEXICO
7.5 MINUTE SERIES (TOPOGRAPHIC)



Oxy

Lost Tank 35 State SWD #1



Laboratory Analytical Results Summary
Lost Tank 35 State SWD #1

		Sample	SP1 @ SURFACE	SP1 @ 2'	SP1 @ 4'	SP1 @ 6'
Analyte	Method	Date	1/20/14	1/20/14	1/20/14	1/20/14
			mg/Kg	mg/Kg	mg/Kg	mg/Kg
Chloride	SM4500Cl-B		1960	2120	320	160

		Sample	SP2 @ SURFACE	SP2 @ 1'
Analyte	Method	Date	1/20/14	1/20/14
			mg/Kg	mg/Kg
Benzene	BTEX 8021B		<0.050	n/a
Toluene	BTEX 8021B		<0.050	n/a
Ethylbenzene	BTEX 8021B		<0.050	n/a
Total Xylenes	BTEX 8021B		<0.150	n/a
Total BTEX	BTEX 8021B		<0.300	n/a
Chloride	SM4500Cl-B		384	32
GRO	TPH 8015M		<10.0	n/a
DRO	TPH 8015M		<10.0	n/a

		Sample	SP3 @ SURFACE	SP3 @ 1'
Analyte	Method	Date	1/20/14	1/20/14
			mg/Kg	mg/Kg
Chloride	SM4500Cl-B		<16.0	<16.0

February 03, 2014

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

RE: LOST TANK SWD #1

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.

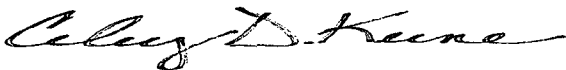
Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

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	Sampling Date:	01/20/2014
Reported:	02/03/2014	Sampling Type:	Soil
Project Name:	LOST TANK SWD #1	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	WIPP SITE		

Sample ID: SP 1 @ SURFACE (H400249-01)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	1960	16.0	01/30/2014	ND	400	100	400	8.33	

Sample ID: SP 1 @ 2' (H400249-02)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	2120	16.0	01/30/2014	ND	400	100	400	8.33	

Sample ID: SP 1 @ 4' (H400249-03)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	320	16.0	01/30/2014	ND	400	100	400	8.33	

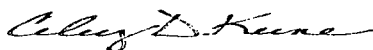
Sample ID: SP 1 @ 6' (H400249-04)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	160	16.0	01/30/2014	ND	400	100	400	8.33	

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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
Reported: 02/03/2014
Project Name: LOST TANK SWD #1
Project Number: NONE GIVEN
Project Location: WIPP SITE

Sampling Date: 01/20/2014
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Kathy Perez

Sample ID: SP 2 @ SURFACE (H400249-05)

BTEx 8021B		mg/kg		Analyzed By: MS						
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*	<0.050	0.050	01/30/2014	ND	2.32	116	2.00	0.108		
Total Xylenes*	<0.150	0.150	01/30/2014	ND	6.88	115	6.00	1.47		
Total BTEX	<0.300	0.300	01/30/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIL) 114 % 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	384	16.0	01/30/2014	ND	400	100	400	8.33	

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	01/29/2014	ND	198	98.9	200	4.82	
DRO >C10-C28	<10.0	10.0	01/29/2014	ND	198	99.0	200	2.28	

Surrogate: 1-Chlorooctane 95.5 % 65.2-140

Surrogate: 1-Chlorooctadecane 93.6 % 63.6-154

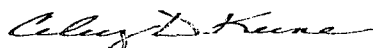
Sample ID: SP 2 @ 1' (H400249-06)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	01/30/2014	ND	400	100	400	8.33	

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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:	01/20/2014
Reported:	02/03/2014	Sampling Type:	Soil
Project Name:	LOST TANK SWD #1	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Kathy Perez
Project Location:	WIPP SITE		

Sample ID: SP 3 @ SURFACE (H400249-07)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	<16.0	16.0	01/31/2014	ND	400	100	400	0.00		


Sample ID: SP 3 @ 1' (H400249-08)

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	<16.0	16.0	01/31/2014	ND	400	100	400	0.00		

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Celey D. Keene, Lab Director/Quality Manager

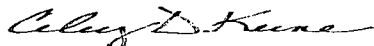
Notes and Definitions

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

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Celey D. Keene, Lab Director/Quality Manager



Page 6 of 6

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

4524