NM OIL CONSERVATION

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 JAN 14 2016

ARTESIA DISTRICT

Form C-141' Revised August 8, 2011

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

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

RECEIVED

Release Notification and Corrective Action													
$\Lambda A \cdot (A \mid P \mid A \mid P \mid A)$						OPERATOR			Initial Report Final Report				
Name of Company Oxy Permian Ltd. /0090						Contact Casey Summers							
						Telephone No. (575) 513-8289							
Facility Name Cypress 34 Federal #1 CTB						Facility Type Battery							
Surface Owner BLM Mineral Owner						API No. 30-015-35053							
				LOCA	ATIO	N OF REI	LEASE		-				
Unit Letter	Section	Township	Range	Feet from the		South Line	Feet from the	East/	West Line County				
Р	34	238	29E							Eddy Cou	inty, N	М	
Latitude N 32.25497° Longitude W 103.96603°													
NATURE OF RELEASE													
Type of Release Oil and produced water							Release 15 bbls	s oil.	Volume Recovered 36 bbls				
Source of Release Head switch was full of trash and failed causing a						Date and I-	duced water our of Occurrence	Date and Hour of Discovery					
tank spill Was Immediate Notice Given?						01/05/2016 If YES, To Whom?						-	
Was Infinediate Notice Given: ☐ Yes ☐ No ☐ Not Required						Mike Bratcher, Kelly Jones-NMOCD							
By Whom? Jennifer Gilkey @ BBC International						Date and Hour 01/05/2016 @ 4:55 pm							
Was a Watercourse Reached? ☐ Yes ☒ No							If YES, Volume Impacting the Watercourse.						
If a Watercon	urse was Im	pacted, Descr	ihe Fully.	*									
Describe Cause of Problem and Remedial Action Taken.* A head switch full of trash failed causing a tank to spill 15 bbls of oil and 25 bbls of produced water onto the ground. A vacuum truck recovered 36 bbls of fluids and the head switch was cleaned out.													
Describe Area Affected and Cleanup Action Taken.*													
The affected area is approximately 150' x 60' on location around the tanks inside the containment. Remediation will be completed in accordance with a remediation 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 lays and/or regulations.													
Signature: Printed Name: Casey Summers							OIL CONSERVATION DIVISION Approved by Environmental Specialist:						
							Approval Date: 115110 Expiration Date: NIA						
E-mail Addr Date:		ey Summers@	Phone		289	Conditions of Approval. Comediation per O.C.D. Rules & Guideling ached							
* Attach Add	itional She	ets If Neces	sarv		Ĺ	ATER TH	\N:	0 1 1/2			$1 \Lambda \Lambda$	2 441	

Patterson, Heather, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>

Sent: Thursday, January 14, 2016 4:28 PM

To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; stucker@blm.gov

Casey_Summers@oxy.com; dusty_wilson@oxy.com; Jennifer_duarte@oxy.com;

cbrunson@bbcinternational.com; kswinney@bbcinternational.com;

jgilkey@bbcinternational.com

Subject: Initial C-141, Cypress 34 Federal #1 CTB

Attachments: Initial C-141, Cypress 34 Federal #1 CTB.pdf

Attached is the initial C-141 for a leak that occurred at the Cypress 34 Federal #1 CTB on 01/05/2016 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

Patterson, Heather, EMNRD

Cc:

From: Jennifer Gilkey <jgilkey@bbcinternational.com>

Sent: Tuesday, January 05, 2016 4:55 PM

To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; Tucker, Shelly

casey_summers@Oxy.com; Dusty Wilson; Frank_Barnett@oxy.com;

Jennifer_duarte@oxy.com; Cliff Brunson; Ken Swinney; Kathy Purvis

Subject: Cypress 34 Fed #1 CTB

This is to inform you that Oxy Permian had a leak at the Cypress 34 Federal #1 CTB on January 5, 2016. Oxy spilled 25 bbls of produced water and 15 bbls of oil. The facility is a lined containment all fluids stayed in the containment. 36 bbls of fluids were recovered. The release is located in U/L P of Section 34, T23S, R29E of Eddy County, NM. BBC International will remediate the location at a later date and an initial C-141 will follow. Driving directions: At NM 128, go South on CR793 (Rawhide Rd) for 4.0 miles, turn right and go West on the main road for 3.5 miles, turn left at Oxy sign and go 2.7 miles down the main road to location on the left or North side of the road. API# 30-015-35053 GPS coordinates: N 32.25496° W -103.96596°

Jennifer Gilkey

Administrative Manager BBC International, Inc.

Phone: (575) 397-6388 Fax: (575) 397-0397

E-mail: jgilkey@bbcinternational.com

1324 W. Marland Blvd. Hobbs, NM 88240