

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

NM OIL CONSERVATION
ARTESIA DISTRICT

OCT 17 2016

Form C-141
Revised August 8, 2011

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

RECEIVED

Release Notification and Corrective Action

| | | | | | |
|--|--|------------------------------|--|--|---------------------------------------|
| DAB1629542376 | | OPERATOR | | <input checked="" type="checkbox"/> Initial Report | <input type="checkbox"/> Final Report |
| Name of Company Oxy Permian Ltd. | | Contact Casey Summers | | | |
| Address PO Box 4294, Houston, TX 77210 | | Telephone No. (575) 513-8289 | | | |
| Facility Name FNR 26 Federal #1 CTB | | Facility Type Battery | | | |
| Surface Owner BLM | | Mineral Owner | | API No. 30-015-30412 | |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|-----------------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| M | 26 | 23S | 30E | | | | | Eddy County, NM |

Latitude N 32.26969° Longitude W 103.85422°

NATURE OF RELEASE

| | | |
|--|--|----------------------------|
| Type of Release Produced water | Volume of Release 10 bbls | Volume Recovered 0 bbls |
| Source of Release Compromised 3" poly water transfer line | Date and Hour of Occurrence 10/03/2016 | 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 and Heather Patterson-NMOCD, Shelly Tucker-BLM | |
| By Whom? Kathy Purvis @ BBC International Inc. | Date and Hour 10/03/2016 @ 4:34 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.*

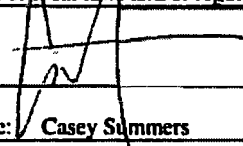
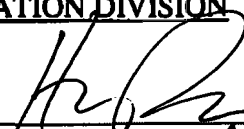
Describe Cause of Problem and Remedial Action Taken.*

A compromised 3" poly water transfer line spilled 10 bbls of produced water off location. No fluids were recovered and the line was repaired.

Describe Area Affected and Cleanup Action Taken.*

The affected area is approximately 25' x 25' approximately 700 feet east of location. Remediation will be completed according to a remediation plan approved by both the BLM and 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.

| | | | |
|--|--|---|----------------------|
| Signature:  | | OIL CONSERVATION DIVISION | |
| Printed Name: Casey Summers | | Approved by Environmental Specialist:  | |
| Title: NM Environmental Advisor | | Approval Date: 10/19/16 | Expiration Date: N/A |
| E-mail Address: casey_summers@oxy.com | | Conditions of Approval: | |
| Date: 10-17-16 Phone: (575) 513-8289 | | Remediation per O.C.D. Rules & Guidelines Attached <input type="checkbox"/> | |
| | | SUBMIT REMEDIATION PROPOSAL NO | |

* Attach Additional Sheets If Necessary

LATER THAN: 11/20/16

240-3946

Patterson, Heather, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>
Sent: Monday, October 17, 2016 4:04 PM
To: Bratcher, Mike, EMNRD; 'Tucker, Shelly'; Patterson, Heather, EMNRD
Cc: Casey_Summers@oxy.com; Jennifer_Hudgens@oxy.com;
cbrunson@bbcinternational.com; kswinney@bbcinternational.com;
jgilkey@bbcinternational.com
Subject: Initial C-141, FNR 26 Federal #1 CTB
Attachments: Initial C-141, FNR 26 Federal #1 CTB.pdf

Attached is the initial C-141 for a leak that occurred at the FNR 26 Federal #1 CTB on 10/03/2016 in Eddy County, NM. Receipt notification and the RP number via email are greatly appreciated.

Kathy Purvis

BBC International, Inc.
1324 W. Marland Blvd.
Hobbs, NM 88240
Business: (575) 397-6388
Cell: (575) 441-8619
kathy@bbcinternational.com

Patterson, Heather, EMNRD

From: Kathy Purvis <kathy@bbcinternational.com>
Sent: Monday, October 03, 2016 4:34 PM
To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; 'Tucker, Shelly'
Cc: 'Casey Summers'; Jennifer_Duarte@oxy.com; 'Cliff Brunson'; 'Ken Swinney'; 'Jennifer Gilkey'; kathy@bbcinternational.com
Subject: FNR 26 Federal #1 CTB

This is to inform you that ~~Oxy Permian~~ had a release at the FNR 26 Federal #1 CTB on October 3, 2016. Oxy released 10 bbls of produced water due to a compromised 3" poly water transfer line. The preliminary report indicates that the release measures 25' x 25' both on and off location. Recovery is in progress. The release is located in U/L M, Section 26, T23S, R30E in Eddy County, NM. Driving directions: West of Jal, at the intersection of Hwy 128 and Twin Wells Rd (CR 787), go South on Twin Well Rd for 2.4 miles to the powerline right of way road on right, turn right(West) and go approximately 0.5 mile to mesquite bush with white flagging. Stake is located 300 feet North of the mesquite bush. GPS coordinates are not available at this time. API# 30-015-30412

Kathy Purvis

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