| District I<br>District II<br>District III<br>District II<br>District II<br>District II<br>District II<br>Distr | State of New Mexico<br>ergy Minerals and Natural Resources |
|--|--|
| 1301 W. Grand Avenue, Artesia, NM \$7410<br>District III<br>1000 Rio Brazos Road, Aztec, NM 87410<br>District IV<br>1220 S. St. Francis Dr., Santa Fe, NM 87505  | Oil Conservation Division<br>1220 South St. Francis Dr.    |
|  | Santa Fe, NM 87505<br>Notification and Corrective Action   |

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Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

|  |               |                 |               |                   |                        | OPERA   | ГOR  |          | 🛛 Initi    | al Report    | П     | Final Report |  |
|--|---------------|-----------------|---------------|-------------------|------------------------|---|--|----------|------------|--------------|-------|--------------|--|
| Name of Company: Ovy USA WTP Ltd.  |               |                 |               |                   |                        | Contact: Chancey Summers (CJ)                         |  |          |            |              |       |              |  |
| Address: 10  | 17 West Sta   | nolind Road, H  | obbs, N.M     | . 88240           |                        | Telephone 1   | No: 505.397.821  | 16 or 5  | 05.631-94  | 36           |       |              |  |
| Facility Name: Meyers Langlie Mattix Unit 265  |               |                 |               |                   |                        | Facility Type Production: Oil                         |  |          |            |              |       |              |  |
|  |               |                 |               |                   |                        |   |  |          |            |              |       |              |  |
| Surface Ow   | mer: Jimim    | y Doom          |               | Mineral O         | wner:                  | BLM Lease No. 300-25-32-536                           |  |          |            |              |       |              |  |
|  |               |                 |               | LOCA              | TION                   | OF RE   | LEASE  |          |            |              |       |              |  |
| Unit Letter<br>K   | Section<br>32 | Township<br>23S | Range<br>37ES | Feet from the     | North/                 | th/South Line Feet from the East/West Line County Lea |  |          |            | -            |       |              |  |
| Latitude <u>N 32<sup>2</sup> 25 /73</u> Longitude <u>W</u> 103, 19 8 9 3   |               |                 |               |                   |                        |   |  |          |            |              |       |              |  |
|  |               |                 |               | NAT               | URE                    | OF REL  |  |          |            |              |       |              |  |
| Type of Release Crude oil and produced water   |               |                 |               |                   | Volume of<br>10bbls of |   | Volume Recovered:<br>Obbls   |          |            |              |       |              |  |
| Source of Re   | lease: Flow   | line rupture    |               |                   |                        | Date and H  | lour of Occurrence   | ce.      | Date and   | Hour of Disc | overy | <i>ı</i> :   |  |
| Was Immedi   | ata Notica (  | Siver?          |               |                   |                        | 12-19-200<br>If YES, To                               | and the second |          | 12-19-20   | 08 1:30pin   |       |              |  |
| was innicut  | ale Notice v  |                 | Yes [         | No 🗌 Not Re       | quired                 | 1 11.0, 10  | WINH:  |          |            |              |       |              |  |
|  |               |                 |               |                   | •                      | Mark, the on call NMOCD                               |  |          |            |              |       |              |  |
| By Whom? C.J. Summers  |               |                 |               |                   |                        | Date and Hour: 12-19-2008 1:00pm                      |  |          |            |              |       |              |  |
| Was a Water  | course Rea    |                 | Yes 🛛         | 1                 |                        | · ·   | lume Impacting t   | the Wate | ercourse.  |              |       |              |  |
|  |               |                 |               |                   |                        | NA  |  |          |            |              |       |              |  |
| If a Watercourse was Impacted, Describe Fully.* A  |               |                 |               |                   |                        |   |  |          |            |              |       |              |  |
| Describe Cause of Problem and Remedial Action Taken.* Flowline froze and ruptured.   |               |                 |               |                   |                        |   |  |          |            |              |       |              |  |
| Describe Are   | a Affected    | and Cleanup     | Action Tal    | ken.*             |                        |   | <u></u>  |          | ·····      |              |       |              |  |
| Oil flowed out of ruptured flow line down between sand hills for about 40' it was approxiametly 8' wide. Area will be remediated to NMOCD guidelines.  |               |                 |               |                   |                        |   | D guidelines.  |          |            |              |       |              |  |
| 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<br>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<br>should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health<br>or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other<br>federal, state, or local laws and/or regulations |               |                 |               |                   |                        |   |  |          |            |              |       |              |  |
|  |               |                 |               |                   |                        | OIL CONSERVATION DIVISION                             |  |          |            |              |       |              |  |
| Signature:   |               |                 |               |                   |                        |   |  |          |            |              |       |              |  |
| Printed Nam  | e Chancey     | Summers         |               |                   |                        | Approved by District Supervisor: Headerey Lekus       |  |          |            |              | 8     |              |  |
| Title: HES   | Specialist    |                 |               |                   |                        | Approval Dat  | e.01/06/09   |          | Expiration | Date 0 3 0   | 610   | 9            |  |
|  |               | ey_summers(     | и олу.соп     | 1                 |                        | Conditions of Approval: Attached                      |  |          |            |              |       |              |  |
| Date: 12-31-   |               |                 |               | hone: 575-397-821 | 16                     | IRP-09  |  |          |            |              | ·5·   | 2187         |  |
| * Attach   | Additional    | Sheets If Ne    | cessary       |                   |                        |   | (  |          |            |              |       |              |  |

Fare 0914154353

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|---|--|--|--|--|--|--|--|--|
| District I<br>1625 N. French Dr., Hobbs, NM 88240<br>District II<br>1301 W. Grand Avenue, Artesia, NM 88210<br>ERECEIVED<br>State o<br>RECEIVED<br>State o<br>Mineral   | f New Mexico<br>s and Natural Resou <b>RECEIVED</b> Form C-141<br>Revised October 10, 2003 |  |  |  |  |  |  |  |
| District III<br>1301 W. Grand Avenue, Artesia, NM 88216 CEIVEDBy Witherars and Natural Resolucies CEIVET Revised October 10, 200.<br>District III<br>1000 Rio Brazos Road, Aztec, NM 87410 MAY 20 2009 Oil Conservation Division MAT 201<br>District Office in accordance                                   |  |  |  |  |  |  |  |  |
| District IV 1220 Sou  | th St. Francis Dr. with Rule 116 on back   |  |  |  |  |  |  |  |
|   | TODDSOLD side of form  |  |  |  |  |  |  |  |
| Keease Polification   | <b>OPERATOR</b> Initial Report I Final Report  |  |  |  |  |  |  |  |
| Name of Company Oxy USA WTP   | Contact Dusty Wilson   |  |  |  |  |  |  |  |
| Address 1017 W. Stanolind Road, Hobbs, NM 88240   | Telephone No. 575-441-7189   |  |  |  |  |  |  |  |
| Facility Name MLMU #265   | Facility Type Well Site  |  |  |  |  |  |  |  |
| Surface Owner Jimmy Doom Mineral Owner  | Lease No. 30-025-32536   |  |  |  |  |  |  |  |
|   | DN OF RELEASE  |  |  |  |  |  |  |  |
| Unit Letter Section Township Range Feet from the Nor  | h/South Line Feet from the East/West Line County   |  |  |  |  |  |  |  |
| K 32 238 37E  | Lea  |  |  |  |  |  |  |  |
| Latitude N 32.25773   | Longitude W103.18883   |  |  |  |  |  |  |  |
|   | NATURE OF RELEASE  |  |  |  |  |  |  |  |
| Type of Release Crude oil and produced water  | Volume of Release 10 bbls water Volume Recovered 0 bbls                                    |  |  |  |  |  |  |  |
| Source of Release Flow line rupture   | Date and Hour of Occurrence Date and Hour of Discovery 12/19/08 @                          |  |  |  |  |  |  |  |
| Was Immediate Notice Given?   | 12/19/2008 1:00 pm 1:30 pm   If YES, To Whom? 1:30 pm 1:30 pm                              |  |  |  |  |  |  |  |
| Yes No Not Require  |  |  |  |  |  |  |  |  |
| By Whom? CJ Summers   | Date and Hour 12-19-08 1:00 pm   |  |  |  |  |  |  |  |
| Was a Watercourse Reached?  | If YES, Volume Impacting the Watercourse.  |  |  |  |  |  |  |  |
| Yes X No  | n/a  |  |  |  |  |  |  |  |
| If a Watercourse was Impacted, Describe Fully.*   |  |  |  |  |  |  |  |  |
| N/A   |  |  |  |  |  |  |  |  |
|   |  |  |  |  |  |  |  |  |
| Describe Cause of Problem and Remedial Action Taken.*   |  |  |  |  |  |  |  |  |
| Flow line froze and ruptured.   |  |  |  |  |  |  |  |  |
|   |  |  |  |  |  |  |  |  |
| Describe Area Affected and Cleanup Action Taken.*   |  |  |  |  |  |  |  |  |
| Excavated impacted soil and disposed of soil at NMOCD approved disposal facility according to the remediation plan approved by Geoff  |  |  |  |  |  |  |  |  |
| Leking and Larry Johnson of the 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.   |  |  |  |  |  |  |  |  |
| 16110   | OIL CONSERVATION DIVISION  |  |  |  |  |  |  |  |
| Signature:  | ENGR 000   |  |  |  |  |  |  |  |
| Printed Name: Dusty Wilson  | Approved by District Supervisor: Jeaffrey Laking   |  |  |  |  |  |  |  |
| Title: HES Specialist   | Approval Date: 05 20 09 Expiration Date:   |  |  |  |  |  |  |  |
| E-mail Address: dusty_wilson@oxy.com  | Conditions of Annroval:  |  |  |  |  |  |  |  |
|   |  |  |  |  |  |  |  |  |
| Date: 4/21/09 Phone: 575-397-8210   * Attach Additional Sheets If Necessary   | IRP-69.5.2187-   |  |  |  |  |  |  |  |