

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

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

in KMW 1101939461

OPERATOR

Initial Report Final Report

Name of Company OXY USA	Contact Kelton Beard
Address 1502 W. Commerce Carlsbad, NM 88220	Telephone No. (O) 575-628-4100
Facility Name Righthand Canyon 34-2	Facility Type Gas Well

Surface Owner BLM	Mineral Owner BLM	Lease No. NM-NM 53218 API No. 3001530863
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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
M	34	21S	24E					Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 79 bbls.	Volume Recovered 40 bbls.
Source of Release Main Water Trunk Line	Date and Hour of Occurrence	Date and Hour of Discovery 12-15-10 @ 1:00 pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher (left voice message) Terry Gregston (e-mail)	
By Whom? Kelton Beard (HES Oxy)	Date and Hour See above	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

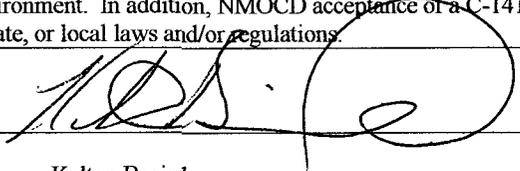
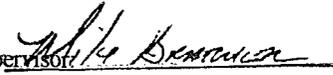
RECEIVED
JAN 05 2011
NMOCD ARTESIA

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
The fiberglass main water trunk line from the Righthand Canyon wells split causing a leak. This line is buried and has been dug up and is waiting repair.

Describe Area Affected and Cleanup Action Taken.*
The initial leak site is west of the RHC 34-2. From this site the release ran east along the roadside approx. 200 ft. to the satellite and split. One split filled the containment around the satellite and ran approx. 22 feet into the pasture just northeast of the satellite. The other spilt continued to run east along side the road and stopped at the bottom of the draw in the middle of the road. A sample of the water was taken and sent to the lab for analysis. The chloride concentration for this produced water is 1420 ppm. Samples will be taken on the affected area and a clean-up plan will be submitted to the NMOCD and BLM for approval.

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: Kelton Beard	Approved by  Supervisor	
Title: HES Specialist	Approval Date: <i>2/8/2011</i>	Expiration Date:
E-mail Address: kelton_beard@oxy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 12-17-10	Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	

3/8/2011 *2 RP-568*