

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

NLMW/1101325849

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 34-5 | Facility Type Satellite Facility |

| | | |
|-------------------|-------------------|----------------------|
| Surface Owner BLM | Mineral Owner BLM | Lease No. 3001532588 |
|-------------------|-------------------|----------------------|

LOCATION OF RELEASE

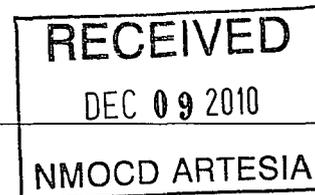
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| O | 34 | 21S | 24E | | | | | EDDY |

Latitude _____ Longitude _____

NATURE OF RELEASE

| | | |
|--|--|--|
| Type of Release Crude Oil & Produced Water | Volume of Release 6 bbls oil, 14 bbls. water | Volume Recovered 0 |
| Source of Release Bypass line | Date and Hour of Occurrence | Date and Hour of Discovery 1-8-10 4:15pm |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Mike Bratcher-NMOCD | |
| By Whom? Kelton Beard - HES Specialist - 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. | |

If a Watercourse was Impacted, Describe Fully.*



Describe Cause of Problem and Remedial Action Taken.*
 Victaulic Clamp broke

Describe Area Affected and Cleanup Action Taken.*

As approved Oxy removed 2 feet @ TP1, and 1 foot at the remaining Test Point areas, excluding TP6 and Wall 7 areas. The excavated areas were then backfilled with clean like material.

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>OIL CONSERVATION DIVISION</u> | |
| Printed Name: Kelton Beard | Approved by District Supervisor | |
| Title: HES Specialist | Approval Date: 4/5/2011 | Expiration Date: N/A |
| E-mail Address: kelton_beard@oxy.com | Conditions of Approval: N/A | Attached <input type="checkbox"/> |
| Date: 10-27-10 | | |

* Attach Additional Sheets If Necessary

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