

French Dr., Hobbs, NM 88240  
 District II  
 W. Grand Avenue, Artesia, NM 88210  
 District III  
 00 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

Release Notification and Corrective Action

*nkmw 1110138117*

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 35-1	Facility Type Gas Well

Surface Owner BLM	Mineral Owner BLM	Lease No. 3001526126
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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
L	35	21S	24E					EDDY

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

NATURE OF RELEASE

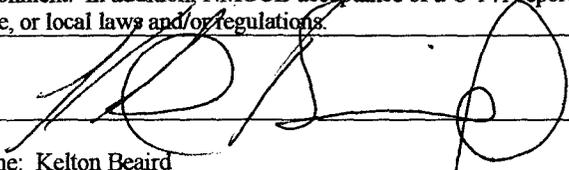
Type of Release Oil/ Produced Water	Volume of Release 15 oil, 5 water (barrels)	Volume Recovered 5 bbls.
Source of Release Gas line from Horizontal Vessel	Date and Hour of Occurrence	Date and Hour of Discovery 4-30-10 @ 10 am
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour See above	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.  
 Stainless steel gas supply line broke. The vessel failed to dump causing the vessel to fill with oil.

Describe Area Affected and Cleanup Action Taken.\*  
 Due to hard rock the surface material was removed and replaced 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: 

Printed Name: Kelton Beard

Title: HES Specialist

E-mail Address: kelton\_beard@oxy.com

Date: 12-21-10

**OIL CONSERVATION DIVISION**

Approved by District Supervisor:  
 Signed By: 

Approval Date: 4/11/11 Expiration Date: \_\_\_\_\_

Conditions of Approval:  
 Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:**  
5/11/11

Attached

\* Attach Additional Sheets If Necessary

*2RP-728*