

June 4, 2015

Ms. Heather Patterson NMOCD District 2

AMARILLO 921 North Bivins Amarillo. Texas 79107 Phone 806.467.0607 Fax 806.467.0622 811 S. 1st Street Artesia, NM 88210

Subject:

Remediation and Closure Report

Oxy Permian, LTD

Government U Com #001 API #: 30-015-21020 Lease No. NM-17101

2RP-2985

ARTESIA

408 West Texas Ave. Artesia, New Mexico 88210 Phone 575.746.8768 Fax 575.746.8905

HOBBS

318 East Taylor Street Hobbs, New Mexico 88240 Phone 575.393.4261 Fax 575.393.4658

5.393.4658 ²

MIDLAND 2901 State Hwy 349 Midland, Texas 79706 Phone 432.522.2133 Fax 432.522.2180

OKLAHOMA CITY 7700 North Hudson Avenue Suite IO Oklahoma City, Oklahoma 73II6 Phone 405.486.7030 Fax 806.467.0622

> SAN ANTONIO 13111 Lookout Way San Antonio, Texas 78233 Phone 210.265.8025 Fax 210.568.2191

Dear Ms. Patterson

Oxy Permian (Oxy) had contracted Talon/LPE (Talon) to perform soil assessment and remediation services at the above referenced location. The results of our soil assessment, completed remediation activities and closure request are submitted herein.

Background Information

The Government U Com #001 is located approximately thirty-three (33) miles southeast of Artesia, New Mexico. The legal location for this location is Unit Letter G, Section 22, Township 20 South and Range 38 East in Eddy County, New Mexico. More specifically the latitude and longitude for this release are 32.560936 North and -104.1634124 West. A site plan is presented in Appendix I.

According to the soil survey provided by the United States Department of Agriculture Natural Resources Conservation Service, the soil in this area is made up of Reeves-Gypsum land complex with 0 to 3 percent slopes. Per the New Mexico Bureau of Geology and Mineral Resources, the local surface and shallow geology is comprised of older alluvial deposits from upland plains and piedmont areas. Drainage courses in this area are normally dry. Ground water in the project vicinity is less than 50-feet bgs according to the 2006 Chevron Texaco Ground Water Trend Map See Appendix II for the referenced groundwater data.

The ranking for this site is 20 Based on the following:

Depth to ground water

<50'

Wellhead Protection Area

>1000'

Distance to surface water body

>1000'

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Incident Description

The stuffing box lost pressure causing a release of approximately 5bbls of oil. No fluids were recovered. The well was shut-in, the stuffing box was repaired and the well was put back into service. The stuffing box release resulted in a pooling area in the vicinity of the pump jack and a light overspray on the closed reserve pit adjacent to the well location.

Two Micro-Blaze applications were applied to the overspray area as part of the initial spill response activities. Talon mobilized personnel to conduct an initial site assessment and soil sampling utilizing a hand auger. Upon receipt of laboratory results from the initial soil sampling event it was determined that further vertical delineation would be required at sample location S-2. A backhoe was utilized to fully delineate the vertical extent of the impacted area at S-2.

Remedial Actions Taken

The impacted area in the vicinity of sample location S-1 was excavated to a depth of 2-feet bgs and the impacted area in the vicinity of sample location S-2 was excavated to a depth of 3-feet bgs.

All of the excavated material was hauled to Lea Land, LLC a solid waste disposal facility.

The excavated area was backfilled with caliche to match the surrounding location.

The pit area was not disturbed.

Closure

On behalf of Oxy USA Inc, we respectfully request that no further actions be required and that closure with respect to these releases be granted. A Final C-141 is also attached.

If we can provide additional information or be of further assistance please contact our office at 575.746.8768.

Respectfully submitted,

TALON/LPE

Kimberly M. Wilson

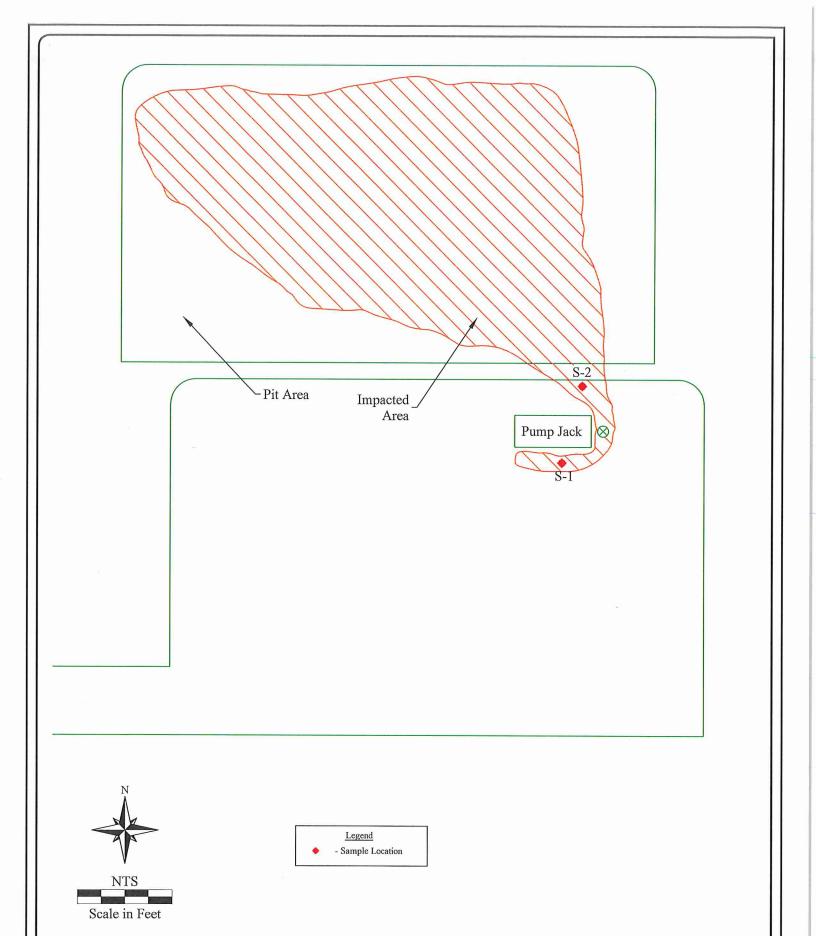
In M. Wilson

Project Manager

David J. Adkins

District Manager

APPENDIX I SITE MAP





Date: 04/30/2015

Scale: NTS

Drawn By: TJS

Government U Com #1
Oxy - NM - North
Eddy County, New Mexico
Figure 1 - Site Plan

FINAL C-141

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

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

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

Release Notification and Corrective Action		
	OPERATOR	☐ Initial Report ☒ Final Repo
Name of Company: OXY USA WTP Limited Partnership	Contact:	
Address: 102 S. Main St. Carlsbad, NM 88220 Telephone No.:		
Facility Name: Government U Com #1	Facility Type: Well	
Surface Owner: Federal Mineral Owner:		API No.: 30-015-21020 Lease No.: NM-17101 2RP-2985
LOCATION OF RELEASE		
, , ,		East/West Line County East Eddy
Latitude <u>32.560936 N</u> Longitude <u>-104.1634124 W</u>		
NATURE OF RELEASE		
Type of Release: Oil Source of Release: Stuffing Box	Volume of Release: 5 bbls Oil Date and Hour of Occurrence	**
Source of Release: Stuffing Box	3/15/2015	Date and Hour of Discovery 3/15/2015 12:00
Was Immediate Notice Given? If YES, To Whom?		
☐ Yes ☐ No ☒ Not Required		
By Whom?	Date and Hour:	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.*		
Describe Cause of Problem and Remedial Action Taken: The stuffing box lost pressure causing a release of 5 barrels of oil. No fluids were		
recovered. The well was shut-in, the stuffing box repaired and the well was put back into service. The majority of the spill remained on the		
location around the wellhead with overspray on the old reserve pit measuring approximately 80' x 90'.		
Describe Area Affected and Cleanup Action Taken.* Talon/LPE was contracted by Oxy for the correction of this release. Pursuant to our work plan approved by the BLM and NMOCD, the impacted area in the vicinity of sample location S-1 was excavated to a depth of 2-feet deep and the		
impacted area in the vicinity of sample location S-2 was excavated to a depth of 3-feet deep, without disturbing the pit area. All of the excavated		
material was hauled to Lea Land, LLC a solid waste disposal facility. The excavated area was backfilled with caliche to match the surrounding		
location. On behalf of Oxy USA Inc, we respectfully request that no further actions be required.		
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 fuiled to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOGD 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.		
	OIL CONSERVATION DIVISION	
Signature:		
Printed Name: CS Summas	Approved by Environmental Specialist:	
Title: HES Lead	Approval Date:	Expiration Date:
E-mail Address: Phanery - S. mmr > Pox	· 1	Attached
Date: 6/4/2015 Phone: 575- 531- 943		

Date: 6/4/2015 Pho:

* Attach Additional Sheets If Necessary