

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

NM OIL CONSERVATION Form C-141
ARTESIA DISTRICT Revised October 10, 2003

SEP 18 2014 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

RECEIVED

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company : Oxy Permian LTD (192463) 16696	Contact : Chris Jones
Address : 1502 W. Commerce, Carlsbad, NM 88220	Telephone No. : 575-628-4121
Facility Name : McMillan 24 State #2 Battery	Facility Type: Battery

Surface Owner : State	Mineral Owner: State	API#: 30-015-32336
-----------------------	----------------------	--------------------

LOCATION OF RELEASE

Unit Letter I	Section 24	Township 20S	Range 26E	Feet from the 1980'	North/South Line South	Feet from the 990	East/West Line East	County: EDDY, NM
------------------	---------------	-----------------	--------------	------------------------	---------------------------	----------------------	------------------------	------------------

Latitude 32.55749 Longitude -104.33235

NATURE OF RELEASE

Type of Release : Produced Water & Oil	Volume of Release : 400 bbls Oil & 20 bbls PW	Volume Recovered: 110 bbls Oil
Source of Release : Valve malfunctioned	Date and Hour of Occurrence: 9/10/2014	Date and Hour of Discovery: 9/11/2014
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? OCD	
By Whom? Chris Jones	Date and Hour : 9/11/2014	
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.* The valve malfunctioned causing the tanks to overflow releasing 400 barrels of Oil and 20 barrels of Produced Water inside the containment of the facility. The release breached the walls of the containment and flowed south across the location. A vac truck was immediately called to the location and 110 barrels of Oil was recovered. The valve was repaired and put back into service. The area affected was inside the facility. The impacted area on location measures approximately 165-feet long by between 6-feet to 30-feet at initial breach point.

Describe Area Affected and Cleanup Action Taken.* Talon/LPE was contacted to complete the site assessment and grab soil samples were collected. Once laboratory results are available Talon will submit a detailed work plan.

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: Chris Jones		OIL CONSERVATION DIVISION	
Printed Name: Chris Jones		Signed By: <i>Mike Brannon</i> Approved by District Supervisor:	
Title: HES Specialist		Approval Date: 9/19/14	Expiration Date: N/A
E-mail Address: Christopher_Jones@oxy.com		Conditions of Approval: Remediation per OCD Rule & Guidelines.	
Date: 9/18/2014 Phone: 575-628-4121		Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

SUBMIT REMEDIATION PROPOSAL NO
LATER THAN: 10/19/14

2RP-2503