

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

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

Form C-141
Revised August 8, 2011

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

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company: ConocoPhillips Company	Contact: Ashley Maxwell
Address: 3401 E. 30th St., Farmington, NM 87402	Telephone No. 505-324-5169
Facility Name: Lucerne B 1	Facility Type: Gas Well

Surface Owner: Federal	Mineral Owner: Federal	API No.: 3004507450 Lease # NM-010063
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LOCATION OF RELEASE

Unit Letter I	Section 17	Township 28N	Range 11W	Feet from the 1660'	North/South Line South	Feet from the 1090'	East/West Line East	County San Juan
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Latitude 36.659408 Longitude -108.02129

NATURE OF RELEASE

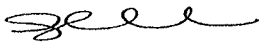
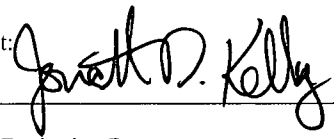
Type of Release: Produced Water	Volume of Release 17 BBL	Volume Recovered - 0-
Source of Release: Production Pit	Date and Hour of Occurrence: 6/7/2012 @ 10:40 AM	Date and Hour of Discovery 6/8/2012 @ 9:00 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Brandon Powell - NMOCD Mark Kelly - BLM FFO	
By Whom?	Date and Hour: NMOCD - 6/11/2012 @ 6:21 AM BLM FFO - 6/11/2012 @ 6:23 AM RCVD OCT 23 '12 OIL CONS. DIV.	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. DIST. 3	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
A hole in the production pit caused the release of 17 BBL produced water. The fluid was contained within the berm with 0 BBL recovered.

Describe Area Affected and Cleanup Action Taken.*
Production pit will be replaced. ConocoPhillips Company will assess the soil to determine further action, if needed.
Confirmation soil sampling has taken place. Analytical results for 8015, 8021 and chlorides are below the regulatory standards set forth in the NMOCD Guidelines for Remediation of Leaks, Spills and Release; therefore no further action is 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 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 Ashley Maxwell		Approved by Environmental Specialist: 	
Title: Field Environmental Specialist		Approval Date: 1/8/2014	Expiration Date:
E-mail Address: ashley.p.wethington@conocophillips.com		Conditions of Approval:	Attached <input type="checkbox"/>
Date: October 22, 2012 Phone: 505-324-5169			

* Attach Additional Sheets If Necessary

nJK1400837675



Hall Environmental Analysis Laboratory
4901 Hawkins NE
Albuquerque, NM 87109
TEL: 505-345-3975 FAX: 505-345-4107
Website: www.hallenvironmental.com

October 19, 2012

Debbie Watson

Animas Environmental Services
624 East Comanche
Farmington, NM 87401
TEL: (505) 486-4071
FAX

RE: Lucerene B #1

OrderNo.: 1210264

Dear Debbie Watson:

Hall Environmental Analysis Laboratory received 1 sample(s) on 10/3/2012 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent. To access our accredited tests please go to www.hallenvironmental.com or the state specific web sites. See the sample checklist and/or the Chain of Custody for information regarding the sample receipt temperature and preservation. Data qualifiers or a narrative will be provided if the sample analysis or analytical quality control parameters require a flag. All samples are reported as received unless otherwise indicated. Lab measurement of analytes considered field parameters that require analysis within 15 minutes of sampling such as pH and residual chlorine are qualified as being analyzed outside of the recommended holding time.

Please don't hesitate to contact HEAL for any additional information or clarifications.

Sincerely,

A handwritten signature in black ink, appearing to read "Andy Freeman", is written over a horizontal line.

Andy Freeman
Laboratory Manager
4901 Hawkins NE
Albuquerque, NM 87109

Analytical Report

Lab Order 1210264

Date Reported: 10/19/2012

Hall Environmental Analysis Laboratory, Inc.**CLIENT:** Animas Environmental Services**Client Sample ID:** SC-1**Project:** Lucerene B #1**Collection Date:** 10/2/2012 1:30:00 PM**Lab ID:** 1210264-001**Matrix:** SOIL**Received Date:** 10/3/2012 9:50:00 AM

Analyses	Result	RL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: JMP
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	10/5/2012 10:13:37 AM
Surr: DNOP	105	77.6-140		%REC	1	10/5/2012 10:13:37 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: NSB
Gasoline Range Organics (GRO)	ND	4.8		mg/Kg	1	10/6/2012 8:56:06 PM
Surr: BFB	107	84-116		%REC	1	10/6/2012 8:56:06 PM
EPA METHOD 8021B: VOLATILES						Analyst: NSB
Benzene	ND	0.048		mg/Kg	1	10/6/2012 8:56:06 PM
Toluene	ND	0.048		mg/Kg	1	10/6/2012 8:56:06 PM
Ethylbenzene	ND	0.048		mg/Kg	1	10/6/2012 8:56:06 PM
Xylenes, Total	ND	0.097		mg/Kg	1	10/6/2012 8:56:06 PM
Surr: 4-Bromofluorobenzene	106	80-120		%REC	1	10/6/2012 8:56:06 PM
EPA METHOD 300.0: ANIONS						Analyst: SRM
Chloride	81	30		mg/Kg	20	10/9/2012 8:34:40 PM

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH greater than 2
- RL Reporting Detection Limit

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- R RPD outside accepted recovery limits
- S Spike Recovery outside accepted recovery limits

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1210264

19-Oct-12

Client: Animas Environmental Services

Project: Lucerene B #1

Sample ID	1210356-001AMS	SampType:	MS	TestCode:	EPA Method 300.0: Anions					
Client ID:	BatchQC	Batch ID:	4204	RunNo:	6099					
Prep Date:	10/9/2012	Analysis Date:	10/9/2012	SeqNo:	175795	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	15	7.5	15.00	4.533	67.0	64.4	117			

Sample ID	1210356-001AMSD	SampType:	MSD	TestCode:	EPA Method 300.0: Anions					
Client ID:	BatchQC	Batch ID:	4204	RunNo:	6099					
Prep Date:	10/9/2012	Analysis Date:	10/9/2012	SeqNo:	175796	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	15	7.5	15.00	4.533	66.6	64.4	117	0.453	20	

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH greater than 2

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- R RPD outside accepted recovery limits

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1210264

19-Oct-12

Client: Animas Environmental Services

Project: Lucerene B #1

Sample ID	MB-4114		SampType:	MBLK		TestCode:	EPA Method 8015B: Diesel Range Organics				
Client ID:	PBS		Batch ID:	4114		RunNo:	5963				
Prep Date:	10/4/2012		Analysis Date:	10/4/2012		SeqNo:	172078		Units: mg/Kg		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual	
Diesel Range Organics (DRO)	ND	10									
Surr: DNOP	9.8		10.00		97.8	77.6	140				

Sample ID	LCS-4114		SampType:	LCS		TestCode:	EPA Method 8015B: Diesel Range Organics				
Client ID:	LCSS		Batch ID:	4114		RunNo:	5963				
Prep Date:	10/4/2012		Analysis Date:	10/4/2012		SeqNo:	172079		Units: mg/Kg		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual	
Diesel Range Organics (DRO)	52	10	50.00	0	105	52.6	130				
Surr: DNOP	4.1		5.000		81.3	77.6	140				

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH greater than 2

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- R RPD outside accepted recovery limits

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1210264

19-Oct-12

Client: Animas Environmental Services

Project: Lucerene B #1

Sample ID	MB-4121	SampType:	MBLK	TestCode:	EPA Method 8015B: Gasoline Range					
Client ID:	PBS	Batch ID:	4121	RunNo:	6045					
Prep Date:	10/4/2012	Analysis Date:	10/6/2012	SeqNo:	174149	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	ND	5.0								
Surr: BFB	1000		1000		101	84	116			

Sample ID	LCS-4121	SampType:	LCS	TestCode:	EPA Method 8015B: Gasoline Range					
Client ID:	LCSS	Batch ID:	4121	RunNo:	6045					
Prep Date:	10/4/2012	Analysis Date:	10/6/2012	SeqNo:	174150	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	24	5.0	25.00	0	97.1	74	117			
Surr: BFB	1000		1000		102	84	116			

Sample ID	5ML RB	SampType:	MBLK	TestCode:	EPA Method 8015B: Gasoline Range					
Client ID:	PBS	Batch ID:	R6073	RunNo:	6073					
Prep Date:		Analysis Date:	10/8/2012	SeqNo:	175096	Units:	%REC			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Surr: BFB	1000		1000		101	84	116			

Sample ID	2.5UG GRO LCS	SampType:	LCS	TestCode:	EPA Method 8015B: Gasoline Range					
Client ID:	LCSS	Batch ID:	R6073	RunNo:	6073					
Prep Date:		Analysis Date:	10/8/2012	SeqNo:	175097	Units:	%REC			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Surr: BFB	1100		1000		106	84	116			

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH greater than 2

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- R RPD outside accepted recovery limits

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1210264

19-Oct-12

Client: Animas Environmental Services

Project: Lucerene B #1

Sample ID	MB-4121	SampType:	MBLK	TestCode:	EPA Method 8021B: Volatiles					
Client ID:	PBS	Batch ID:	4121	RunNo:	6045					
Prep Date:	10/4/2012	Analysis Date:	10/6/2012	SeqNo:	174182	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	ND	0.050								
Toluene	ND	0.050								
Ethylbenzene	ND	0.050								
Xylenes, Total	ND	0.10								
Surr: 4-Bromofluorobenzene	1.1		1.000		110	80	120			

Sample ID	LCS-4121	SampType:	LCS	TestCode:	EPA Method 8021B: Volatiles					
Client ID:	LCSS	Batch ID:	4121	RunNo:	6045					
Prep Date:	10/4/2012	Analysis Date:	10/6/2012	SeqNo:	174183	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	1.1	0.050	1.000	0	107	76.3	117			
Toluene	1.1	0.050	1.000	0	105	80	120			
Ethylbenzene	1.1	0.050	1.000	0	106	77	116			
Xylenes, Total	3.2	0.10	3.000	0	107	76.7	117			
Surr: 4-Bromofluorobenzene	1.2		1.000		116	80	120			

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH greater than 2

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- R RPD outside accepted recovery limits

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1210264

19-Oct-12

Client: Animas Environmental Services

Project: Lucerene B #1

Sample ID	1210116-001ams	SampType:	MS	TestCode:	EPA Method 8260B: VOLATILES					
Client ID:	BatchQC	Batch ID:	4121	RunNo:	6255					
Prep Date:	10/4/2012	Analysis Date:	10/15/2012	SeqNo:	180313	Units:	%REC			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Surr: 1,2-Dichloroethane-d4	0.47		0.4907		95.3	70	130			H
Surr: 4-Bromofluorobenzene	0.48		0.4907		98.4	70	130			H
Surr: Dibromofluoromethane	0.45		0.4907		91.0	70	130			H
Surr: Toluene-d8	0.46		0.4907		93.6	70	130			H

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH greater than 2

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- R RPD outside accepted recovery limits

Sample Log-In Check List

Client Name: Animas Environmental Work Order Number: 1210264
Received by/date: AT 10/03/12 0950
Logged By: Anne Thorne 10/3/2012 9:50:00 AM *Ann Thorne*
Completed By: Anne Thorne 10/3/2012 *Ann Thorne*
Reviewed By: EO 10/04/12

Chain of Custody

1. Were seals intact? Yes ☐ No ☐ Not Present ☒
2. Is Chain of Custody complete? Yes ☒ No ☐ Not Present ☐
3. How was the sample delivered? Courier

Log In

4. Coolers are present? (see 19. for cooler specific information) Yes ☒ No ☐ NA ☐
5. Was an attempt made to cool the samples? Yes ☒ No ☐ NA ☐
6. Were all samples received at a temperature of $>0^{\circ}\text{C}$ to 6.0°C ? Yes ☒ No ☐ NA ☐
7. Sample(s) in proper container(s)? Yes ☒ No ☐
8. Sufficient sample volume for indicated test(s)? Yes ☒ No ☐
9. Are samples (except VOA and ONG) properly preserved? Yes ☒ No ☐
10. Was preservative added to bottles? Yes ☐ No ☒ NA ☐
11. VOA vials have zero headspace? Yes ☐ No ☐ No VOA Vials ☒
12. Were any sample containers received broken? Yes ☐ No ☒
13. Does paperwork match bottle labels?
(Note discrepancies on chain of custody) Yes ☒ No ☐
14. Are matrices correctly identified on Chain of Custody? Yes ☒ No ☐
15. Is it clear what analyses were requested? Yes ☒ No ☐
16. Were all holding times able to be met?
(If no, notify customer for authorization.) Yes ☒ No ☐

of preserved
bottles checked
for pH: _____
(<2 or >12 unless noted)
Adjusted? _____
Checked by: _____

Special Handling (if applicable)

17. Was client notified of all discrepancies with this order? Yes ☐ No ☐ NA ☒

Person Notified: _____ Date: _____
By Whom: _____ Via: ☐ eMail ☐ Phone ☐ Fax ☐ In Person
Regarding: _____
Client Instructions: _____

18. Additional remarks:

19. Cooler Information

Cooler No	Temp $^{\circ}\text{C}$	Condition	Seal Intact	Seal No	Seal Date	Signed By
1	1.0	Good	Yes			

Chain-of-Custody Record		Turn-Around Time:	
Client: <u>Animas Environmental Services</u>		<input checked="" type="checkbox"/> Standard <input type="checkbox"/> Rush _____	
Mailing Address: <u>624 E. Comanche</u>		Project Name: <u>Lucerene B #1</u>	
<u>Farmington NM 87401</u>		Project #:	
Phone #: <u>505-564-2281</u>		Project Manager:	
email or Fax#:		<u>D. Watson</u>	
QA/QC Package:		Sampler: <u>H. Woods</u>	
<input checked="" type="checkbox"/> Standard <input type="checkbox"/> Level 4 (Full Validation)		On Ice: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Accreditation		Sample Temperature: _____	
<input type="checkbox"/> NELAP <input type="checkbox"/> Other _____			
<input type="checkbox"/> EDD (Type) _____			

Sample Temperature: 110°C

	X	BTEX + MTBE + THPs (8021)
		BTEX + MTBE + TPH (Gas only)
	X	TPH Method 8015B (Gas/Diesel) (600 PPM)
		TPH (Method 418.1)
		EDB (Method 504.1)
		8310 (PNA or PAH)
		RCRA 8 Metals
	X	Anions (F⁻, Cl⁻ , NO ₃ , NO ₂ , PO ₄ , SO ₄) 300-9
		8081 Pesticides / 8082 PCB's
		8260B (VOA)
		8270 (Semi-VOA)
		Air Bubble (V or N)

[illegible]

Date: 01/2/12	Time: 11:00	Relinquished by: Heather M. Woods
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Received by: Christine Waeter Date 10/2/12 Time 1600

Date: 10/12/12	Time: 1640	Relinquished by: Kristen Wacker
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Received by: [Signature] Date 10/03/12 Time 09:50

Remarks:	Bill to ConocoPhillips
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Wo# 9151235

Super: Devin Leboenf
Area: 22

User ID: LINDAJ
Work ordered by: Ashley
Maxwell

If necessary, samples submitted to Hall Environmental may be subcontracted to other accredited laboratories. This serves as notice of this possibility. Any sub-contracted data will be clearly notated on the analytical report.