OIL CONS. DIV DIST. 3

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

State of New Mexico Energy Minerals and Natural Resources

AUG 1 1 2015

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.

Attached

1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 Release Notification and Corrective Action **OPERATOR** Initial Report Final Report Name of Company: BP Contact: Steve Moskal Address: 200 Energy Court, Farmington, NM 87401 Telephone No.: 505-326-9497 Facility Name: Mudge C1 Facility Type: Natural gas well Surface Owner: Federal Mineral Owner: Federal API No. 3004510598 LOCATION OF RELEASE Unit Letter Township Section Range Feet from the North/South Line Feet from the East/West Line County: San Juan M 31N 11W 875 South 875 West Latitude 36.90809° Longitude -108.0117° NATURE OF RELEASE Type of Release: natural gas Volume of Release: 254 Mcf Volume Recovered: none Date and Hour of Discovery: August 2, Source of Release: Separation of ferule connection on intercooler piping. Date and Hour of Occurrence: 7/30/2015at ~1:00 PM 2015 at 3:57 PM - 71 hours Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required By Whom? Date and Hour: Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. Yes No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Field tech found gas leaking through a separated ferule connection on the compressor intercooler pipe. The compressor and well were shut in pending repair/replacement of the pipe connection. Describe Area Affected and Cleanup Action Taken.* No clean up was possible or necessary as the released gas dissipated into the atmosphere. The pipe connection will be repaired or replaced. 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. OIL CONSERVATION DIVISION Signature: Approved by Environmental Specialist: Printed Name: Steve Moskal Expiration Date: Title: Field Environmental Coordinator Approval Date: E-mail Address: steven.moskal@bp.com Conditions of Approval:

* Attach Additional Sheets If Necessary

Date: August 6, 2015

#NCS 1522443115

Phone: 505-326-9497