

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 Copy to appropriate District Office in
accordance with 19.15.29 NMAC

Release Notification and Corrective Action

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|-------------------------------------|---------------------|---|--|
| OPERATOR | | <input type="checkbox"/> Initial Report | <input checked="" type="checkbox"/> Final Report |
| Name of Company: Conoco Phillips | Contact | | |
| Address: 29 Vacuum Complex Lane | Telephone No. | | |
| Facility Name: Ruby Federal Well #9 | Facility Type: Well | | |
| Surface Owner: BLM | Mineral Owner: BLM | API No. 3002540360 | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| O | 18 | 17S | 32E | 480 | South | 1650 | East | LEA |

Latitude 32.8286948558908 Longitude -103.802651025065

NATURE OF RELEASE

| | | |
|--|---|----------------------------------|
| Type of Release: Spill | Volume of Release: 51 BBLs | Volume Recovered: 30 BBLs |
| Source of Release: 1/4 inch Gauge | Date and Hour of Occurrence: 11/11/13 8:00 am | Date and Hour of Discovery: Same |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Jim Amos/ Geoffrey Leking | |
| By Whom? David May | Date and Hour: 11/12/13 3:50 pm | |
| 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.* At the Ruby Federal #9 the top of a 1/4 inch gauge had blown out. Spill amount was 36 BPW and 15 BO with 20 BPW and 10 BO recovered. MSO blocked in 1/4 inch valve; removed handle and replaced gauge.
Describe Area Affected and Cleanup Action Taken.* On November 11th, 2013, the top of a 1/4 inch gauge blew out releasing 36 barrels of produced water and 15 barrels of oil over 4,360 square feet of primarily lease pad. A total of 20 barrels of produced water and 10 barrels of oil were recovered. The gauge was replaced and NMOCD and BLM were notified of the release on November 12th, 2013. An initial C-141 was signed on November 12th, 2013 and submitted to NMOCD and BLM. RECS personnel were on site beginning on November 14th, 2013 to assess the release. The release was sampled at the surface and with depth. Representative samples from the release were taken to a commercial laboratory for analysis. In all five sampling points, the surface samples showed elevated laboratory chloride levels, Gasoline Range Organics (GRO) readings, Diesel Range Organics (DRO) readings and BTEX readings. As Point 2, Point 3 and Point 5 were sampled with depth, all constituents dropped below regulatory standards between 1.5 ft and 3 ft bgs. On December 18th, 2013, a Corrective Action Plan (CAP) was submitted to NMOCD and BLM. NMOCD verbally approved the CAP on December 18th, 2013 and BLM approved the CAP on January 9th, 2014. Corrective action activities began at the site on April 2nd, 2014. The site was scraped down and composite samples for each scrape were taken and field tested for chlorides and organic vapors. The samples were taken to a commercial laboratory for analysis and returned values below regulatory standards. A total of 270 yards of contaminated soil was taken to a NMOCD approved facility for disposal. A total of 80 yards of sand and 300 yards of caliche were imported to the site to replace the contaminated soil taken for disposal. On April 7th, 2014 the site was backfilled and contoured to the surrounding area. On May 7th, 2014, the pasture area was seeded with BLM mix #2.

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.

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|--------------------------------------|---------------------------------------|-----------------------------------|
| Signature: <i>Sean Robinson</i> | OIL CONSERVATION DIVISION | |
| Printed Name: SEAN ROBINSON | Approved by Environmental Specialist: | |
| Title: OPERATIONS SUPERVISOR | Approval Date: 10-31-14 | Expiration Date: — |
| E-mail Address: sean.robinson@cp.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 9/2/14 | Phone: 315-310-8873 | IRP-3402 |

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OCT 31 2014