

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1006 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

HOBBS OCD

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.

AUG 4 2014

RECEIVED

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company: ConocoPhillips	Contact: Spencer Cluff
Address: 29 Vacuum Complex Lane	Telephone No. 575-391-3143
Facility Name: Philmex 04	Facility Type: Oil Well

Surface Owner: NMOCD	Mineral Owner: NMOCD	API No. 3002530394
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	26	17S	33E	660	South	1880	West	LEA

Latitude - 32.800239180862 Longitude - 103.636264687277

NATURE OF RELEASE

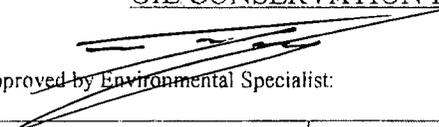
Type of Release: Spill	Volume of Release: 25 BBLS	Volume Recovered: 10 BBLS
Source of Release: Produced Water Tank	Date and Hour of Occurrence: 6/26/2014 4:15 a.m.	Date and Hour of Discovery: 6/26/2014 9:00 a.m.
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Geoffrey Leking	
By Whom? Spencer Cluff	Date and Hour: 06/27/2014 4:15 p.m.	
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.*
On June 6, 2014, at approximately 0415 hrs. MST, an accidental release of 2 BO and 23 BPW occurred at the Philmex Battery 4. MSO received a phone call from the hot oiler operator that the produced water tank was running over at the Philmex 4 Battery. The MSO immediately responded to the battery to find that the water tank was over running. MSO immediately asked another MSO to turn off the wells to isolate the fluid from coming into the produced water tank. The I&E department was notified. I&E determined that the PLC and the water transfer pump were down due to a failed transformer in the starter panel. The transformer failed due to a lightning storm the night before. The transformer was replaced, the water transfer pump started, and the PLC started in order to read levels. No alarms or calls were received by either MSO to alert them of the situation. A total of 25 bbls were released and 10 bbls were recovered, 2 bbls oil and 23 bbls of produce water. The area was measured in three sections 1) 50 ft. X 22 ft., 2) 54 ft. X 9 ft., 3) 138 ft. X 46 ft., all 2 inches deep. The spill is in the pasture area. The spill will be remediated according to NMOCD guidelines.

Describe Area Affected and Cleanup Action Taken.*
The area was measured in three sections 1) 50 ft. X 22 ft., 2) 54 ft. X 9 ft., 3) 138 ft. X 46 ft., all 2 inches deep. The spill is in the pasture area. The spill will be remediated according to NMOCD guidelines.

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: <i>Spencer A. Cluff</i>	OIL CONSERVATION DIVISION	
Printed Name: Spencer A. Cluff		
Title: LEAD HSE	Approval Date: 8-4-14	Expiration Date: 10-7-14
E-mail Address: spencer.a.cluff@conocophillips.com	Conditions of Approval: <i>Site samples required</i>	Attached: <input type="checkbox"/>

AUG 04 2014

Delimited remediate the area as per NMOCD guides. Submit final C-141 by 10-7-14

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PTO 1421 642466