

HOBBS OCD

District I
7723 N. French Dr., Hobbs, NM 88250
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
7723 N. French Dr., Santa Fe, NM 87505

State of New Mexico
Minerals and Natural Resources
Oil Conservation Division
220 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 | Contact: Spencer Cluff |
| Address: 29 Vacuum Complex Lane | Telephone No. 575-391-3143 |
| Facility Name: VGEU Well 034 | Facility Type: Oil Well |

| | | |
|-----------------------------|----------------------------|---------------------------|
| Surface Owner: NMOCD | Mineral Owner NMOCD | API No. 3002502881 |
|-----------------------------|----------------------------|---------------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| G | 26 | 17S | 35E | 1980 | North | 2200 | East | LEA |

Latitude 32.8076533080148 Longitude - 103.426925251861

NATURE OF RELEASE

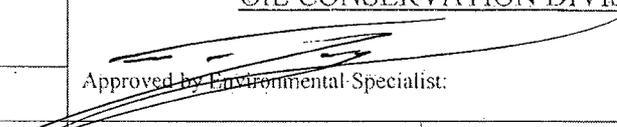
| | | |
|------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|
| Type of Release: Spill | Volume of Release: 92 BBLS | Volume Recovered: 50 BBLS |
| Source of Release: Stuffing Box | Date and Hour of Occurrence 7/06/2014 2:00 p.m. | Date and Hour of Discovery 7/07/2014 10:00 a.m. |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Geoffrey Leking | |
| By Whom? Spencer Cluff | Date and Hour: 07/8/2014 3:00 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.*
ENV - Agency Reportable - EVGSAU 2622 - 10.75 BPW 1 BO - RR II - MCBU - Buckeye: On July 6, 2014 at approximately 1400 hrs. MST, a stuffing box leak occurred at the EVGSAU 035. MSO isolated the well and changed the packing in the stuffing box. The spill occurred due to worn out packing. The spill area was measured in two sections; 1) 30 ft. X 18 ft. X 2 inches deep, 2) 12 ft. X 30 ft. X 2 inches deep. The total volume of the spill was 11.75 barrels, 1 barrel of crude oil and 10.75 barrels of produced water, with 10 barrels recovered. A work order to remediate the area has been submitted and the area will be remediated according to NMOCD guidelines.

Describe Area Affected and Cleanup Action Taken.* The spill area was measured in two sections; 1) 30 ft. X 18 ft. X 2 inches deep; 2) 12 ft. X 30 ft. X 2 inches deep. Spill stayed on the caliche pad. MSO shut in the well and placed the packing.

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: <i>Spencer A. Cluff</i> |  | | |
| Printed Name: Spencer Cluff | | | |
| Title: LEAD HSE | Approval Date: 12-8-14 | Expiration Date: 2-8-15 | |
| E-mail Address: spencer.a.cluff@conocophillips.com | Conditions of Approval: <i>Site Super requires Delate & remediate area as per NMOCD guidance Submit final C-141 by 2-8-15</i> | | Attached: <input type="checkbox"/> |
| Date: 07/8/2014 | Phone: 575-391-3143 | 1RP-3438 | |

* Attach Additional Sheets If Necessary.

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NO 189 34 250909
P 7019 3425118

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