

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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

Form C-141
Revised October 10, 2003

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

RECEIVED

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

AUG 28 2008

OPERATOR **HOBBS OGD** Initial Report Final Report

Name of Company ConocoPhillips Company	Contact John Abney
Address 3300 N. "A" St., Bldg. 6 #247 Midland, TX 79705-5	Telephone No. (505)391-3170
Facility Name Leamex # 28	Facility Type Oil Well

Surface Owner Williams & Son Cattle Co.	Mineral Owner State of New Mexico	Lease No. B-2148
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APJ # 30.025.26851.00.00

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	24	17 S	33 E	1980	South	1980	East	Lea

Latitude 32.82 Longitude 103.61

NATURE OF RELEASE

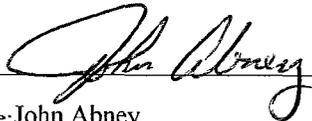
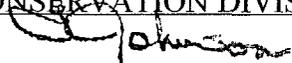
Type of Release 2% KCL	Volume of Release 28 bbls	Volume Recovered 14 bbls
Source of Release Hole in casing	Date and Hour of Occurrence 8/22/08 10:00 am	Date and Hour of Discovery 8/22/08 12:00 pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Cindy Herrera	10:20 am 12:00 pm
By Whom? John Abney	Date and Hour 8/22/08 10:45 am	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. NA	

If a Watercourse was Impacted, Describe Fully.*
NA

Describe Cause of Problem and Remedial Action Taken.*
On Friday August 21, 2008 at 10:00 am at the Leamex well #28 located 13 miles west of the Buckeye, a spill of 28 bbls of 2% KCL resulted from a hole in the production casing near the surface while conducting a Frac operation. While conducting Frac operation on the well, communication between zones and by the top packer resulted in pressurized flow of fluid up the annulus. Fluid leaked from the production casing because of holes near the surface. Remediation will be completed as per NMOCD guidelines.

Describe Area Affected and Cleanup Action Taken.*
Before the well was shut in for the night a casing clamp was installed and an RBP was installed in the well as a primary barrier. Area affected consisted of 8990 sq/ft of caliche pad and 1210 sq/ft of pasture land. A vacuum truck recovered 14 bbls.

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: John Abney	 ENVIRONMENTAL ENGINEER	
Title: HSER Specialist	Approval Date: 8.29.08	Expiration Date: 9.29.08
E-mail Address: john.h.abney@conocophillips.com	Conditions of Approval:	
Date: 08/22/2008 Phone: (505)391-3170	<input checked="" type="checkbox"/> Attached <input type="checkbox"/> SUBMIT FINAL C.141 W/ DOCUMENTATION BY IRP # 1941	

* Attach Additional Sheets If Necessary

FGRL0824249483