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 RECEIVED

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

Form C-141 Revised October 10, 2003

SEP 15 2000 Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action **OPERATOR** Initial Report Final Report Name of Company ConocoPhillips Company Contact John W. Gates Address 3300 North A St. Bldg 6, Midland, TX 79705-5406 Telephone No. 505.391.3158 Facility Type Oil and Gas Facility Name EVGSAU Well # 2864-002 Mineral Owner State Of New Mexicoeral Surface Owner State Of New Mexico Lease No 30-025-26576-00-00 LOCATION OF RELEASE Unit Letter Township Feet from the North/South Line Feet from the East/West Line County Section Range Lea \mathbf{C} 28 17S 35E Latitude Longitude NATURE OF RELEASE Type of Release Volume of Release Volume Recovered **Produced Water** 72bbl (0oil, 72water) (0oil, 35water) Date and Hour of Occurrence Date and Hour of Discovery Source of Release 09/10/09 0830 09/10`/09 1016 The release originated from a hole located on the bottom of a 2" gate valve on a 2" steel water transfer line due to internal/external corrosion Was Immediate Notice Given? If YES, To Whom? NMOCD On-Call Employee By Whom? Malcolm Cox Date and Hour 09/10/09 1710 Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☐ No If a Watercourse was Impacted, Describe Fully.* WATER 9 60' Describe Cause of Problem and Remedial Action Taken.* The release originated from a hole located on the bottom of a 2" gate valve on a 2" steel water transfer line due to internal/external corrosion A COPC MSO discovered the release while making routine rounds. Upon discovery the MSO immediately shut in an isolation valve that effectively stopped the release and then notified supervision and HSE. A vacuum truck was called and 35 bbls of produced water was recovered. Describe Area Affected and Cleanup Action Taken.* The affected area is a 900' X 90' X .5" area of pastureland with no livestock present. The spill site will be delineated and remediated in accordance with an agreement with NMOCD 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: ENV ENGINEER Approved by District Supervisor: Printed Name. John W. Gates

E-mail Address: John.W.Gates@conocophillips.com

Phone: 575-390-4821

Approval Date: 09/16/09

Expiration Date: 11/10/09

Attached