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

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141 Revised October 10, 2003

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

Release Notification and Corrective Action											
50-039-30884 OF						ERATOR	☐ Initial Report		rt 🛛 Final Report		
Name of Co		<u>Cono</u> coPhi				Contact Kelsi Harrington					
Address	3401	I E. 30 th St.	, Farming	gton, NM 874	02	Telephone N	o. 505-59 9	9-3403			
Facility Name San Juan 28-7 Unit 254N						Facility Type	Gas Well	API#3003930884			
Surface Owner Federal Mineral Owner						Federa	1	Lease No. NMSF-078835			
LOCATION OF RELEASE											
Unit Letter	Section	Township	Range	Feet from the	Not	rth/South Line	Feet from the	East/West L	ine	County	
С	06	27N	07W	962'		North	1793'	West		Rio Arriba	
Latitude 36.608152 ° N Longitude -107.616791 ° W											
NATURE OF RELEASE											
Type of Release – Clean Phase Drilling Mud Volu							ume of Release – 5 BBL Volume Recovered – 5 I			ume Recovered - 5 BBL	
Source of Release: Gate Valve						Date and Hour of Occurrence			Date and Hour of Discovery		
						1/7/2011 12:00 p.m. 1/7/2011 12:00 p.m.					
Was Immedi	ate Notice (as 🗆 No		rad	If YES, To Whom?					
			Not Kequii	eu							
By Whom?		1 10				Date and Hour – If YES, Volume Impacting the Watercourse.					
Was a Watercourse Reached? ☐ Yes ☒ No						If TES, volume impacting the watercourse.					
If a Watercourse was Impacted, Describe Fully.*											
Describe Cause of Problem and Remedial Action Taken.* On January 7, 2011, an approximately 5 BBL clean phase drilling mud											
release occurred due to contractor error. While circulating casing, the contractor discovered mud coming out of the											
kill line due to a valve not being closed. Upon discovery, the pump was shut in and the valve was closed.											
Describe Area Affected and Cleanup Action Taken.* All fluid remained on location and approximately 5 BBL of clean phase mud											
was recovered. The muds used by ConocoPhillips Company in this basin are water based. Past sampling of cuttings											
have shown 97% pass rates on closure criteria. On this basis, no further action is required.											
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: Kein Harrington OIL CONSERVATION DIVISION										<u> </u>	
Printed Nam	e: K	elsi Harrin			Approved by District Supervisor:						
Title:	Env	vironmenta	tant		Approval Date: 12/05/2011 Expiration Date:						

Date: 1/18/11 Pho
* Attach Additional Sheets If Necessary

E-mail Address: kelsi.g.harrington@conocophillips.com

nJK 1133951470

Attached



Conditions of Approval: