

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 August 8, 2011

Submit 1 Copy to appropriate District Office to
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

| | |
|---|--------------------------------------|
| Name of Company Burlington Resources Oil & Gas Company | Contact Crystal Tafoya |
| Address 3401 East 30th St, Farmington, NM | Telephone No. (505) 326-9837 |
| Facility Name: Hudson J 3 | Facility Type: Gas Well |
| Surface Owner BLM | Mineral Owner BLM (SF-077922) |
| API No. 30-045-11770 | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|-----------|------------|------------|---------------|------------------|---------------|----------------|-----------------|
| E | 35 | 30N | 12W | 1750 | North | 990 | West | San Juan |

Latitude 36.77147 Longitude 108.07268

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release Produced Water | Volume of Release 22 bbls | Volume Recovered 0 bbls |
| Source of Release Pumping Line from Separator | Date and Hour of Occurrence | Date and Hour of Discovery 1/16/2013 at 3:20pm |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? RCVD JAN 23 '13 | |
| By Whom? | Date and Hour OIL CONS. DIV. | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. DIST. 3 | |

If a Watercourse was Impacted, Describe Fully.*
N/A

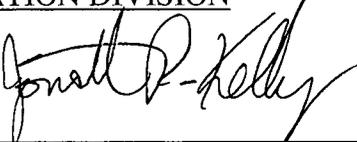
Describe Cause of Problem and Remedial Action Taken.*

2" ball valve on the pumping line at the separator was shut-in and pumping unit continued pumping and broke pressure gauge releasing 22bbls of produced water . Gas supply was shut off and valves shut-in waiting to be repaired.

Describe Area Affected and Cleanup Action Taken.*

ConocoPhillips will assess the soil to determine a path forward for clean-up if necessary.

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: Crystal Tafoya | Approved by Environmental Specialist:  | |
| Title: Field Environmental Specialist | Approval Date: 3/07/2013 | Expiration Date: |
| E-mail Address: crystal.tafoya@conocophillips.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 1/22/2013 | Phone: (505) 326-9837 | |

* Attach Additional Sheets If Necessary

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