

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

OPERATOR

☒ Initial Report ☐ Final Report

| | | | |
|-----------------|--|---------------------------|------------------------|
| Name of Company | Burlington Resources, a wholly owned subsidiary of ConocoPhillips Company | Contact | Kristina Kovach |
| Address | 3401 E. 30th St., Farmington, NM 87402 | Telephone No. | 505-326-9866 |
| Facility Name | Huerfano #140E | Facility Type | Gas Well |
| Surface Owner | Federal | Mineral Owner | Federal |
| | | Lease No. | SF-077980A |
| | | API # 30-045-26651 | |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|----------|-------------|------------|---------------|------------------|---------------|----------------|-----------------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| K | 5 | T26N | R9W | 1500' | South | 1490' | West | San Juan |

Latitude 36.51415° N Longitude 107.81555° W

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release – Condensate | Volume of Release – 80 BBL | Volume Recovered – none |
| Source of Release: Tank leak due to corrosion | Date and Hour of Occurrence unknown | Date and Hour of Discovery 7/28/08 – 7:00 a.m. |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? OCD - Brandon Powell via phone & email BLM - Kevin Schneider via email | RCVD AUG 20 '08 OIL CONS. DIV. |
| By Whom? Kristina Kovach | Date and Hour – 7/28/08 – 3:00 p.m. | DIST. 3 |
| 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.* **A ConocoPhillips Company employee discovered a condensate spill of approximately 80 BBL at the Huerfano #140E on the morning of 7/28/08 due a production tank leak. The leak was due to a 1/8" pin hole found above the bottom seam on the production tank that resulted from corrosion. Upon discovery, the well was shut in.**

Describe Area Affected and Cleanup Action Taken.* **All of the spilled fluids were contained within the berm, but none were recovered. The affected soils will be excavated, and the tank will be replaced. To prevent reoccurrence, COPC will continue to perform monthly inspections of the production tanks.**

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: <i>Kristina L Kovach</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Kristina L. Kovach | Approved by District Supervisor: <i>Brandon Powell</i> | For: <i>Charlie Perrin</i> |
| Title: Environmental Associate | Approval Date: 8/20/08 | Expiration Date: |
| E-mail Address: kristina.l.kovach@conocophillips.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 7//08 Phone: 505-326-9866 | | |

* Attach Additional Sheets If Necessary

Incident # *NRM D 0928139422*