

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
20 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 March 17, 1999

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

Release Notification and Corrective Action

30 039 25581

OPERATOR

☒ Initial Report ☐ Final Report

| | | | |
|-----------------|------------------------------|---------------|-----------------|
| Name of Company | Williams Production LLC | Contact | Michael K. Lane |
| Address | 999 Goddard Ave, Ignacio, CO | Telephone No. | 970-563-3319 |
| Facility Name | Rosa Unit 165 | Facility Type | Gas Well |
| Surface Owner | BLM | Mineral Owner | BLM |
| | | Lease No. | SF-078766 |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|------------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| F | 25 | 31 N | 6 W | 1655' | N | 1850' | W | Rio Arriba |

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|--|----------------------------|-------------------|
| Type of Release | BGT cracked. | Volume of Release | N/A | Volume Recovered | N/A |
| Source of Release | Freezing water cracked fiberglass tank. | Date and Hour of Occurrence | Prior to 1/14/05 | Date and Hour of Discovery | 1/14/05 12:00 MST |
| Was Immediate Notice Given? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | Denny Foust of NMOCD @ 1/14/05 16:00 MST | | |
| By Whom? | Michael K. Lane | Date and Hour | | | |
| 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.*


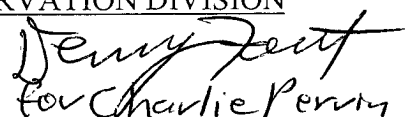
BGT failure discovered during sump inspection. Fiberglass tank cracked probably due to frozen water in tank.

Remedial actions included; tank pumped of liquids and tank removed for replacement. Outer plastic liner in tack and no holes or tears found. Some stained soil around liner during tank removal suspected from incidental spills in secondary containment surrounding BGT. BGT removed from service, and replaced with an subgrade tank.

Describe Area Affected and Cleanup Action Taken.*

Former tank excavation prepared and new subgrade tank installed to replace BGT. Soil sample collected to assess possibility of impact.

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: Michael K. Lane, PE | Approved by:  District Supervisor: for Charlie Perry | |
| Title: Environmental Specialist | Approval Date: 5/10/05 | Expiration Date: |
| Date: 1/31/05 | Phone: (505) 632-4625 | Conditions of Approval: see BGT closure in well file |
| | | Attached <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

n DGF050 343 8781