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Hobbs, NM 88241-1980

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Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

Form C - 141
Originated 2/13/97

State of New Mexico
Energy Minerals and Natural Resources Department

Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

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 Phillips Petroleum Company | Contact Robert A. Wirtanen |
| Address 5525 Hwy. 64, Farmington, New Mexico 87401 | Telephone Number (505) 599-3462 |
| Facility Name San Juan 29-6 Wellsite 82M | Facility Type Condensate tank on mesa verde / dakota well |

| | | |
|-----------------------------|-----------------------------|--------------------------------------|
| Surface Owner BLM | Mineral Owner BLM | Lease No Federal NM-012671 |
|-----------------------------|-----------------------------|--------------------------------------|

LOCATION OF RELEASE

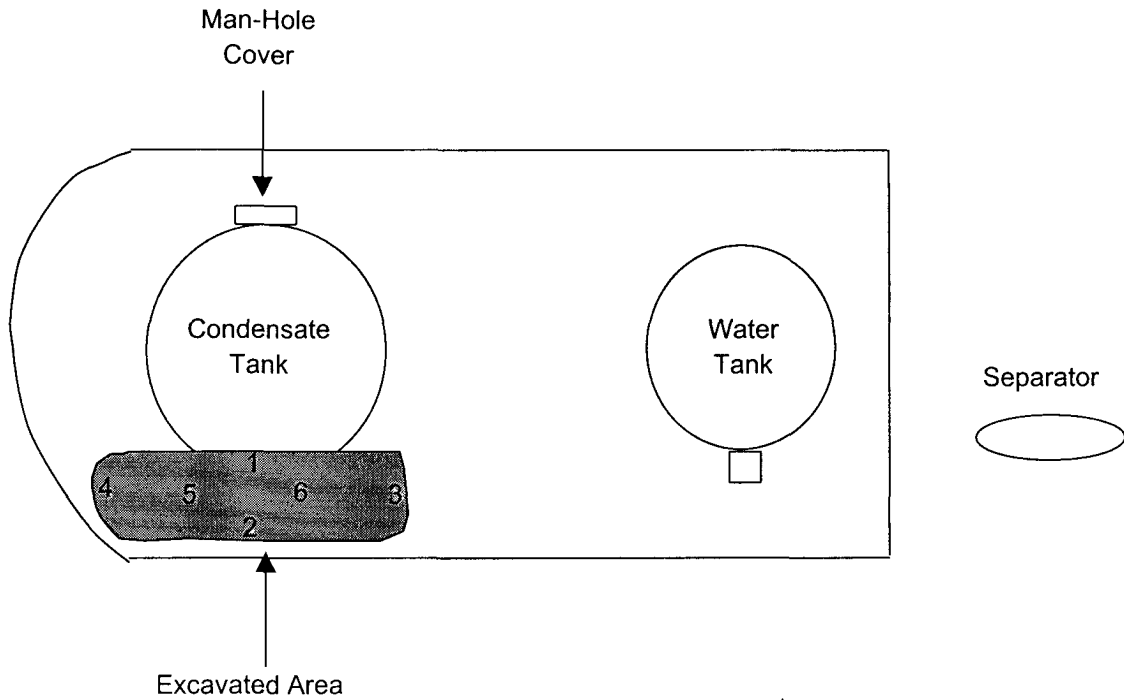
| | | | | | | | | |
|-------------------------|----------------------|------------------------|--------------------|----------------------------|----------------------------------|------------------------------|------------------------------------|-----------------------------|
| Unit Letter O | Section 25 | Township 29N | Range 6W | Feet from the 10 | North/South Line South | Feet from the 1440 | East/West Line East Line | County Rio Arriba |
|-------------------------|----------------------|------------------------|--------------------|----------------------------|----------------------------------|------------------------------|------------------------------------|-----------------------------|

NATURE OF RELEASE

| | | |
|---|--|---|
| Type of Release condensate leaked thru a manway gasket which was earthen bermed and where the outer tank base was lined with 60 mil plastic | Volume of Release we estimate 24 bbls | Volume Recovered all |
| Source of Release gasket on manway opening of tank | Date & Hour of Occurrence time began is unknown well was first delivered 5/22/01 | Date & Hour of Discovery 06/07/2001 9:00 am |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not required | If YES, To Whom? NMOCD-Denny Faust by e-mail & fax; Mark Kelly by fax & tele | |
| By Whom? Robert Wirtanen - Sr. EHS Splst. | Date and Hour 06/13/2001 1515 hr | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse NA | |
| If a Watercourse was impacted, describe fully (Attach additional sheets if necessary) Spilled condensate did not reach a watercourse. | | |
| Describe cause of problem and remedial action taken (Attach additional sheets if necessary) The well which feeds this tanks was first delivered on 5/22/01. The well appears to be producing approx 1.5 bbl. / day of condensate. The leak was at the elevation on the tank of 3 ft 4 inches. The source of the spill was corrected immediately upon discovery by tightening the manway bolts. | | |
| Describe area affected and cleanup action taken (Attach additional sheets if necessary) We are using an OVM meter to determine where we find ppm levels below 100. Fourty - five (45) cubic yards of soil were excavated (all within the radius of the tank berm) This spill was not reported sooner because we did not expect this spill volume to exceed 5 bbls. Upon excavating the soil, and back-calculating the condensate production on this new well, combined with the volume of "contaminated soil seen during cleanup, this report was produced. | | |
| 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>Robert A. Wirtanen</i> | OIL CONSERVATION DIVISION <i>Denny Faust</i> Approved by District Supervisor for Frank Chavez | |
| Printed Name Robert A. Wirtanen | Approval Date 6/25/01 Expiration Date | |
| Title Sr. Safety & Environmental Specialist | Conditions of Approval Attached <input type="checkbox"/> | |
| Date 06/13/2001 | Phone 505-599-3462 | |

NDGF0117627691

**San Juan 29-6 # 82M
Condensate Spill**



Reference : 90' N15W from Wellhead

Final Size : 20' x 12' x 5' deep

Cubic Yards Excavated : 45

| Sample # | Location | OVm (ppm) |
|----------|--------------|-----------|
| 1 | N. Wall @ 4' | 12.1 |
| 2 | S. Wall @ 4' | 32.6 |
| 3 | E. Wall @ 4' | 19.1 |
| 4 | W. Wall @ 4' | ND |
| 5 | W. Btm @ 5' | 24.2 |
| 6 | E. Btm @ 5' | 41.8 |

Spill Summary
San Juan 29-6 # 82M

| | |
|---------------------------|--------|
| Depth to Groundwater | >100' |
| Distance to Water Source | >1000' |
| Distance to Surface Water | >1000' |
| TPH Limit (ppm) | 1000 |

On June 13, 2001 Cimarron Environmental Services (Cimarron) was notified by Phillips Petroleum Company of a condensate tank spill located at the San Juan 29-6 #82M. According to Phillips Petroleum Co. personnel, a moderate leak was discovered on the upper right hand corner of the man-hole cover. The spill site was visited and it was determined that excavation was necessary.

On June 14, 2001 Cimarron provided Quality Assurance/Quality Control of remedial activities associated with the spill. Stained soils were excavated to a depth of 5 feet. Field headspace was monitored on all walls and the bottom of the excavated area. Headspace readings ranged from 0 parts per million to 41.8 parts per million. A total of 45 cubic yards was excavated and disposed of at Envirotech Landfarms, located near Angel Peak. The excavated area was backfilled with clean soil immediately following the removal of soils and production equipment was reset.

Phillips Petroleum Co. has removed the driving force of the leak and has remediated all soils to the extent practical. The area has achieved action levels below NMOCD and BLM requirements and should be considered to have reached "final closure".