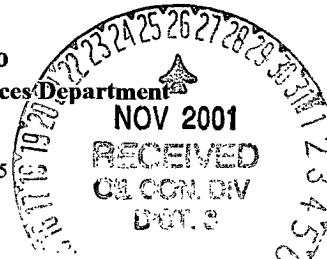


State of New Mexico
Energy Minerals and Natural Resources Department
 Oil Conservation Division
 2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131



Submit 2 copies to
 Appropriate District
 Office in accordance
 with Rule 116 on
 back side of form

Release Notification and Corrective Action

30 045 23621

OPERATOR

Initial Report

☒

Final Report

Name Phillips Petroleum Company	Contact Philip Betts - Lease Operator
Address 5525 Hwy. 64, Farmington, New Mexico 87401	Telephone Number (505) 486-1901
Facility Name 32-7 #51 wellsite API # 30-045-23621	Facility Type Los Pinos Ft, Pictured Cliffs South

Surface Owner BLM	Mineral Owner BLM	Lease No SF -078998
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LOCATION OF RELEASE

Unit Letter M	Section 34	Township 32N	Range 7W	Feet from the 820	North/South Line South	Feet from the 980	East/West Line West	County San Juan
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NATURE OF RELEASE

Type of Release produced water	Volume of Release 50 bbl	Volume Recovered 45 bbl
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Source of Release dump valve on 2 mm separator "stuck open" and the well started to unload water	Date & Hour of Occurrence 11/19/2001	Date & Hour of Discovery 11/19/2001 10:00 AM
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Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not required	If YES, To Whom? BLM-Mark Kelly; NMOCD - Denny Faust NM State Land Office - R. Gallegos
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By Whom? Robert Wirtanen - Phillips Sr. Safety & Environmental Spclst	Date and Hour 11/20/01 1500 hr
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Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse NA
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If a Watercourse was impacted, describe fully. (Attach additional sheets if necessary)

A watercourse was not reached.

Describe cause of problem and remedial action taken (Attach additional sheets if necessary)

A dump valve on a 2 mm separator opened automatically and remained open when the well began to unload water. The cause for the dump to remain open is unknown. We have not had a history of dump valves sticking open for an extended period of time.

Describe area affected and cleanup action taken (Attach additional sheets if necessary)

Spilled water remained within the earthen berm of the overflowed tank and did not leave the lease. *No remediation 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 original signed by... Robert A. Wirtanen <i>RAW</i>	OIL CONSERVATION DIVISION	
Printed Name Robert A. Wirtanen	Approved by <i>Denny Faust</i> District Supervisor for <i>Frank Chavez</i>	Approval Date 12/06/01
Title Sr. Safety & Environmental Specialist	Expiration Date	Attached <input type="checkbox"/>
Date 11/20/2001	Phone 505-599-3462	Conditions of Approval

h DGF 0132538764