

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 Drive
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

| | | | |
|-----------------|------------------------------------|---------------|--------------------|
| Name of Company | ConocoPhillips Company | Contact | Monica D. Olson |
| Address | 5525 Hwy. 64, Farmington, NM 87401 | Telephone No. | 505-599-3458 |
| Facility Name | Federal #15 | Facility Type | Producing Gas Well |
| Surface Owner | Private | Mineral Owner | Federal |
| | | Lease No. | NM-73982 |

☒ Initial Report ☐ Final Report

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|----------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| A | 1 | T29N | R13W | 1040' | North | 360' | East | San Juan |

Latitude 36.75963 Longitude 108.14885

NATURE OF RELEASE

| | | |
|--|--|---|
| Type of Release - Condensate | Volume of Release - ~ 15 BBL | Volume Recovered - none |
| Source of Release: Leaking 300 BBL condensate tank | Date and Hour of Occurrence 10/23/04 - 12:00 p.m. | Date and Hour of Discovery 10/23/04 - 12:00 p.m. |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Denny Foust - OCD - 10/25/04 via email | |
| By Whom? Monica Olson | Date and Hour - 10/25/04 - 3:45 p.m. | |
| 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 lease operator received a call from passers-by on Saturday, October 23rd of a spill on the Federal #15, located off of Gila Street near Halliburton/Walgreens in Farmington. Upon inspection, a ring of paraffin / condensate was found on the grade band on which the 300 BBL condensate tank sits, and appeared to be about a 3 BBL spill. The well was shut in. Upon further investigation into the tank gauge readings, there could be up to 50 BBL of condensate unaccounted for.

Upon site investigation on Monday, October 25th, hand digging with a shovel showed an affected area of 21' x 21' x 3' deep (at least), which calculates to a 15 BBL spill. A One-Call has been submitted, and digging and remediation will begin on Wednesday, October 27th. If necessary, the spill volume will be changed to reflect the actual amount spilled based on soils excavated from the location.

Describe Area Affected and Cleanup Action Taken.* No fluids appeared to leave the location. The well has been shut in. Soil stained from this spill will be excavated and brought to the Envirotech landfarm for remediation. Remediation activities are planned for Wednesday, October 27th.

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: Monica D. Olson | | OIL CONSERVATION DIVISION | |
| Printed Name: Monica D. Olson | | Approved by District Supervisor: Denny Foust for Frank Chavez | |
| Title: Safety, Health, Environmental, & Regulatory Technician | Approval Date: 11/19/04 | Expiration Date: | |
| E-mail Address: monica.olson@conocophillips.com | Conditions of Approval: Do groundwater testing and monitoring | Attached <input type="checkbox"/> | |
| Date: 10/25/04 | Phone: 505-599-3458 | | |

* Attach Additional Sheets If Necessary

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