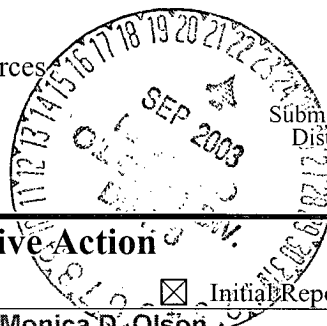


District I
2625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 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

OPERATOR

☒ Initial Report

☒ Final Report

Name of Company	ConocoPhillips Company	Contact	Monica D. Olson
Address	5525 Hwy. 64, Farmington, NM 87401	Telephone No.	505-599-3458
Facility Name	AXI Apache K #2A	Facility Type	Gas Well
		API #30-039-21223	
Surface Owner	Jicarilla Tribe	Mineral Owner	Jicarilla Tribe
		Lease No.	Jic 151

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	4	T26N	R5W	1190	South	800	East	Rio Arriba

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered
Produced water mixed w/ used compressor oil	8 BBL	none
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Line leak from separator to pit tank	9/10/03	9/10/03
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
Originally thought to be <5 BBL, but then back-calculated to 8 BBL spill	Denny Foust - OCD - 9/16/2003 @ 1200 hr - via email Jicarilla EPO - 9/16/2003 @ 1200 hr - via email and fax Steve Wells-Santa Fe BLM-9/16/2003 @ 1200 hr-via email	
By Whom?	Date and Hour	
Monica D. Olson	9/16/03 - 1200 hr	
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.* On the inlet to the suction of the 50 hp reciprocating compressor, there is a scrubber used to catch any fluids that have gone past the separator. The suction scrubber has a 2" dump line that goes into the 45 BBL water pit. The compressor normally dumps lube oil into the water pit. The dump line is buried approximately 2' underground. Where this dump line comes out of the ground into the 45 BBL water pit there was some oily dirt around the pipe, indicating a line leak, discovered on 9/10/03. The dirt was excavated and it was discovered that the buried threaded collars and (2) 90° threaded fittings were leaking, and were replaced with welded connections. Size of excavation was 20' x 6' x 6'.

Describe Area Affected and Cleanup Action Taken.*

The spill area is being remediated this week, with approximately 32 cy of soil planned to be taken to the Envirotech landfarm upon approval by the NMOCD following TCLP analysis. Upon Jicarilla approval, we wish to take backfill dirt for the excavation from the Jicarilla approved & archy cleared "pond" backfill site off J.25 in T25N, R4W, Sec. 13.

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>Monica D. Olson</i>	OIL CONSERVATION DIVISION	
Printed Name: Monica D. Olson	Approved by District Supervisor: <i>Denny Foust</i> for Frank Chavez	
Title: Safety, Health, Environmental, & Regulatory Technician	Approval Date: 10/01/03	Expiration Date:
Date: 9/16/2003 Phone: 505-599-3458	Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

106F0327427155

2



San Juan Operations
5525 Hwy. 64
Farmington, NM 87401

September 16, 2003

Mr. Keith Manwell
Jicarilla Environmental Protection Office
P.O. Box 507
Dulce, NM 87528

RE: Initial Spill Notification
AXI Apache K #2A
Unit P, Section 4, T26N, R5W
Rio Arriba County, New Mexico



Dear Mr. Manwell,

Enclosed please find the Release Notification and Corrective Action [Initial] Report for the recent 8 BBL produced water spill at the AXI Apache K #2A.

On September 10th, a leaking line from the separator to the water pit tank was discovered. This line also dumps lube oil from the compressor into the water pit, so the spilled fluids are a mixture of produced water with some used compressor oil. The dirt was excavated on September 15th, and it was discovered that the buried threaded collars and (2) 90° threaded fittings were leaking, and were replaced with welded connections. Soil was excavated from an area of 20' x 6' x 6' deep.

The spill area is being remediated this week, with approximately 32 cubic yards of soil planned to be taken to the Envirotech landfarm upon approval by the NMOCD following TCLP analysis. Upon Jicarilla approval, we wish to take backfill dirt for the excavation from the Jicarilla approved & archy cleared "pond" backfill site off J.25 in T25N, R4W, Section 13.

Should you have any questions or require additional information, please give me a call at 505-599-3458.

Sincerely,

Monica D. Olson
HSE & Regulatory Technician

Cc: Jicarilla Oil & Gas Administration – Mr. Fred Vigil
Jicarilla Natural Resource Department – Mr. Joe McNeese
Jicarilla Agency Realty Office – Ms. Annette Torivio
Bureau of Land Management (Santa Fe) – Mr. Steve Wells
New Mexico Oil Conservation Division (Aztec) – Mr. Denny Foust