

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 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. Rodahl |
| Address | 5525 Hwy. 64, Farmington, NM 87401 | Telephone No. | 505-599-3458 |
| Facility Name | San Juan 32-8 Unit #224 | Facility Type | Gas Well |
| | | API # 30-045-27867 | |
| Surface Owner | Federal | Mineral Owner | Federal |
| | | Lease No. | SF-079004 |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|----------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| B | 10 | T31N | R8W | 800 | North | 1657 | East | San Juan |

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|---|----------------------------|--------------------|
| Type of Release | Produced water | Volume of Release | 14 BBL | Volume Recovered | none |
| Source of Release | Leak in produced water pipeline | Date and Hour of Occurrence | 6/7/2003? | Date and Hour of Discovery | 6/7/2003 - 0600 hr |
| Was Immediate Notice Given? | Not notified until 6/9/03 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | Denny Foust - OCD - 6/9/2003 @ 1200 hr - via email Mark Kelly - BLM - 6/9/2003 @ 1200 hr - via email | | |
| By Whom? | Monica D. Rodahl | Date and Hour | 6/9/2003 - 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.* ☐ At approximately 6:00 am Saturday, a water spill due to a pipeline leak was discovered. Probable cause of the spill is internal bacterial corrosion. The lines were shut in, the spill was contained, and the area was bermed to prevent migration.

Describe Area Affected and Cleanup Action Taken.*

The 14 BBL produced water spill affected soils 1-3" deep, covering 180 cubic feet. The lines were shut in, the spill was contained, and the area was bermed to prevent migration. The spill is under investigation with further remediation pending.

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. Rodahl | OIL CONSERVATION DIVISION | |
| Printed Name: | Monica D. Rodahl | Approved by District Supervisor: | Denny Foust for Frank Chavez |
| Title: | Safety, Health, Environmental, & Regulatory Technician | Approval Date: | 06/24/03 |
| Date: | 6/9/2003 | Expiration Date: | |
| Phone: | 505-599-3458 | Conditions of Approval: | Attached <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

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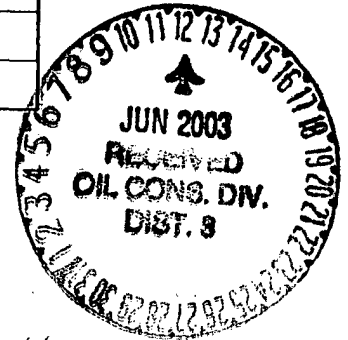
2

564-5666

PHILLIPS PETROLEUM CO
FIELD SKETCH FORM
FARMINGTON, NM

SKETCH NO. _____

| | |
|--------------------|--|
| TYPE OF SKETCH: | |
| DATE: | |
| UNIT: | |
| LEGAL LOCATION: | |
| PPCO PIPELINE NO.: | |
| NEAREST WELLSITE: | |

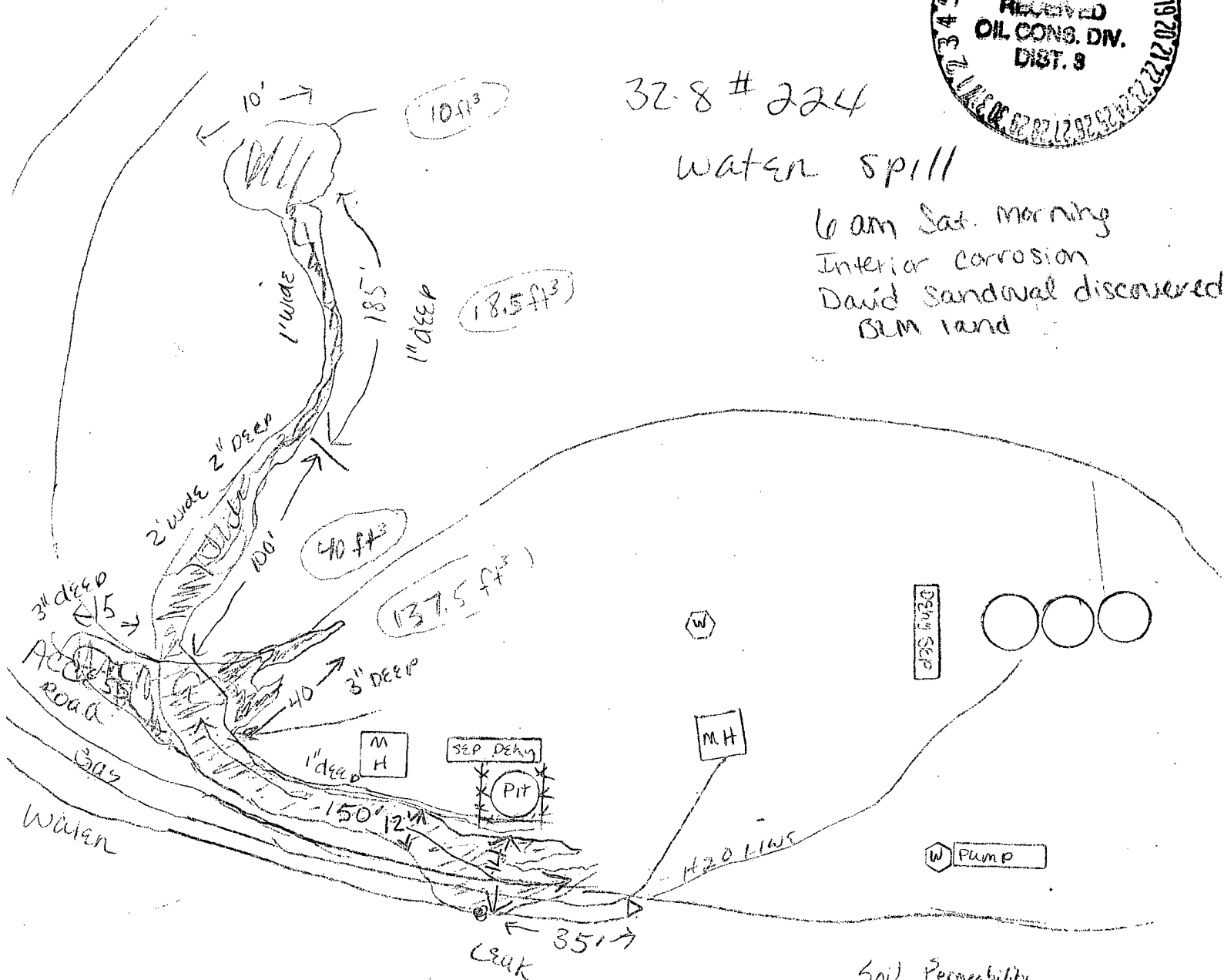


32.8 # 224

water spill

6 am Sat. morning

Interior corrosion

David Sandoval discovered
BLM land

Soil Permeability

10% permeability = 7 bbls

20% permeability = 14 bbls

30% permeability = 21 bbls

40% permeability = 28 bbls

Total = 14.3 yds or 386 ft³ x 7.481 gal/ft³
= 2888 gallons - maximum