

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 June 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

☐ Initial Report ☒ Final Report

| | | | |
|-----------------|-----------------------------------|---------------|----------------------------|
| Name of Company | Burlington Resources | Contact | Ed Hasely |
| Address | P.O. Box 4289 Farmington NM 87499 | Telephone No. | (505) 326-9841 |
| Facility Name | CEDAR HILL SWD | SWD | Facility Type SWD Facility |
| Surface Owner | Federal | Mineral Owner | Unknown |
| Lease No. | Unknown | | |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|----------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| B | 29 | 32N | 10W | | | | | San Juan |

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|----------------------|----------------------------|----------------------|
| Type of Release | Produced Water and Tank Bottoms | Volume of Release | 110 BBLS. | Volume Recovered | 80 BBLS. |
| Source of Release | Water Storage Tank #4 | Date and Hour of Occurrence | 6/10/2004 9:00:00 AM | Date and Hour of Discovery | 6/10/2004 9:00:00 AM |
| Was Immediate Notice Given? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | Denny Foust | | |
| By Whom? | Ed Hasely | Date and Hour | 6/10/2004 12:30:00 P | | |
| Was a Watercourse Reached? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | 0 | | |

If a Watercourse was Impacted, Describe Fully.*

NA

Describe Cause of Problem and Remedial Action Taken.*

A corrosion hole in Water Storage Tank #4 allowed approximately 60 bbls of produced water to leak out into the bermed area. During the process to remove the tank from service, approximately 50 bbls of tank bottoms were also released. All fluids were contained inside the bermed area.

Describe Area Affected and Cleanup Action Taken.*

All fluids were contained inside the bermed area. The tank has been removed from service. Free standing liquids were removed with a vacuum truck. The produced water was put back in the system and the tank bottoms were taken to commercial disposal.

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: | OIL CONSERVATION DIVISION | | |
| Printed Name: | Ed Hasely | Approved by District Supervisor: | Denny Foust for Frank Chavez |
| Title: | Environmental Representative | Approval Date: | 6/14/04 |
| E-mail Address: | lhasely@br-inc. com or gwurtz@br-inc.com | Expiration Date: | |
| Date: | 6/11/04 | Phone: | (505) 326-9841 or 9537 |
| | | Conditions of Approval: | Attached <input type="checkbox"/> |

* Attach Additional Sheets If Necessary

n DGF 0416654626