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

State of New Mexico State of New Mexico State of New Mexico

Oil Conservation Division
1220 South St. Francis Dr. Co.
Santa Fe. NM 87505

Form C-141 Revised June 10, 2003

ibmit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

with Rule 116 on back 1220 S. St. Francis Dr., Santa Fe, NM 87505 side of form Release Notification and Corrective Action 30045 29156 **OPERATOR** Initial Report Name of Company Burlington Resources Contact Ed Hasely Address Telephone No. (505) 326-9841 P.O. Box 4289 Farmington NM 87499 Facility Name UTE 24 Facility Type Gas Well Mineral Owner I-22-IND-2772 Surface Owner Ute Mnt. Ute Ute Mnt. Ute Lease No. LOCATION OF RELEASE East/West Line Unit Letter Section Feet from the North/South Line Feet from the County Township Range San Juan E 20 032N 014W 1935 North 1630 West NATURE OF RELEASE Type of Release Volume of Release Volume Recovered Produced Water and Condensate 10:BBLS. 0 BBLS. Source of Release Date and Hour of Discovery Steel Pit Tank and Condensate Tank Date and Hour of Occurence 6/1/2004 6/1/2004 Was Immediate Notice Given? If YES, To Whom? ✓ Yes No Not Required Denny Foust By Whom? Ed Hasely Date and Hour 6/2/2004 3:15:00 PM Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. 0 Yes V No If a Watercourse was Impacted, Describe Fully.* NA Describe Cause of Problem and Remedial Action Taken.* A corrosion hole in the pit tank allowed approximately 10 barrels of produced water to leak out into the bermed area. A temporary plug was placed to prevent further leakage. The pit tank was removed from service. During the dirt work for the pit tank, hydrocarbon impacted soils were discovered. Upon excavation of the impacted soils, the condensate storage tank was moved and it appears as if it may have leaked an unknown volume. The condensate tank was also removed from service. Describe Area Affected and Cleanup Action Taken.* No fluids left the bermed area. Impacted soils are being excavated and disposed at a commercial disposal facility (Industrial Ecosystems). Clean fill is being trucked in. A final report will be submitted when the work is completed and lab analyses are obtained. Contacted NMOCD (Denny Foust). Colorado BLM (Marie Gray Lope). and Ute Mnt Ute (Tom Rice). 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: Approved by District Supervisor: Printed Name: Title: Environmental Representative **Expiration Date:** Approval Date: Conditions of Approval: E-mail Address: lhasely@br-inc. com or gwurtz@br-inc.com Attached Phone: (505) 326-9841or 9537 Date: 6/11/04