

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 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

Initial Report

Final Report

| | |
|---|--------------------------------------|
| Name of Company Burlington Resources, a wholly owned subsidiary of ConocoPhillips Company | Contact Gwen R. Frost |
| Address 3401 E. 30th St., Farmington, NM 87402 | Telephone No. 505-326-9866 |
| Facility Name San Juan 29-7 Unit #67M | Facility Type Gas Well |
| Surface Owner Private | Mineral Owner Federal |
| Lease No. SF-078399-424 | |
| API # 30-039-30440 | |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------------------|----------------------|-------------------------|----------------------|-------------------------------|----------------------------------|-------------------------------|-------------------------------|-----------------------------|
| Unit Letter K | Section 23 | Township T29N | Range R07W | Feet from the 2000' | North/South Line South | Feet from the 2210' | East/West Line West | County Rio Arriba |
|-------------------------|----------------------|-------------------------|----------------------|-------------------------------|----------------------------------|-------------------------------|-------------------------------|-----------------------------|

Latitude **36.709550° N** Longitude **107.54139° W**

NATURE OF RELEASE

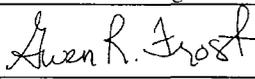
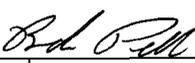
| | | |
|--|--|--|
| Type of Release - Produced Water | Volume of Release - 20 BBL Produced Water | Volume Recovered - 19.8 BBL |
| Source of Release: Tank overflow | Date and Hour of Occurrence Unknown | Date and Hour of Discovery 12/16/08 - 11:00 a.m. |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? OCD - Brandon Powell via email | RCVD DEC 22 '08 |
| By Whom? Gwen Frost | Date and Hour - 12/17/08 - 4:00 p.m. | OIL CONSERV DIV |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | DIST. 3 |

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* **On December 16, 2008 a COPC MSO discovered a water tank overflowing due to an increase in water production on the SJ 29-7 #67M. Upon discovery, the MSO shut in the well and called water hauler to come & recover the water. Approximately 20 BBL was spilled and all water was contained in the cribbing of the pit. All spilled fluids remained in the berm.**

Describe Area Affected and Cleanup Action Taken.* **All of the spilled fluids remained on location. Approximately 19.8 BBL produced water was recovered. Soils will be monitored. To prevent reoccurrence, COPC will continue to monitor tank levels.**

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: Gwen R. Frost | Approved by District Supervisor:  For: CP | |
| Title: Environmental Engineer | Approval Date: 12/22/08 | Expiration Date: |
| E-mail Address: gwendolynne.frost@conocophillips.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 12/17/08 | Phone: 505-326-9549 | |

* Attach Additional Sheets If Necessary

Incident # 1 RMD 0929334540