

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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 August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR Initial Report Final Report

| | |
|---|-----------------------------------|
| Name of Company: Burlington Resources, a Wholly owned Subsidiary of ConocoPhillips Company | Contact Lisa Hunter |
| Address 3401 East 30th Street, Farmington, NM | Telephone No. 505-326-9786 |
| Facility Name San Juan 27-4 Unit 38N | Facility Type Gas Well |

| | | |
|-----------------------------|------------------------------|---------------------------|
| Surface Owner Forest | Mineral Owner Federal | API No. 3003927633 |
|-----------------------------|------------------------------|---------------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|-------------------------|---------------------|------------------------|--------------------|-----------------------------|----------------------------------|-------------------------------|-------------------------------|-----------------------------|
| Unit Letter N | Section 6 | Township 27N | Range 4W | Feet from the 40' | North/South Line South | Feet from the 2350' | East/West Line West | County Rio Arriba |
|-------------------------|---------------------|------------------------|--------------------|-----------------------------|----------------------------------|-------------------------------|-------------------------------|-----------------------------|

Latitude 36.59488 Longitude -107.29214

NATURE OF RELEASE

| | | |
|--|---|---|
| Type of Release Produced Water | Volume of Release Produced Water 13.41 BBLs | Volume Recovered 15 Gal |
| Source of Release Production Tank | Date and Hour of Occurrence Unknown | Date and Hour of Discovery 03-14-2013; 11:30 AM |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | |
| By Whom? | Date and Hour | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | |

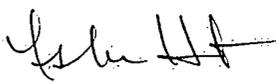
RCUD MAR 21 '13
OIL CONS. DIV.
DIST. 3

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
Production tank developed a small leak due to corrosion causing the release of 13.41 BBLs of Produced Water. 15 gallons were recovered. Spill as contained within Berm.

Describe Area Affected and Cleanup Action Taken.*
ConocoPhillips will replace the tank and assess the soils to determine further action, if needed.

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: Lisa Hunter | Approved by Environmental Specialist:  | |
| Title: Field Environmental Specialist | Approval Date: 4/25/2013 | Expiration Date: |
| E-mail Address: Lisa.Hunter@cop.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: March 19, 2013 | Phone: 505-326-9786 | |

* Attach Additional Sheets If Necessary

NJR 1311548928