

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 | ConocoPhillips Company | Contact | Monica D. Johnson |
| Address | 5525 Hwy. 64, Farmington, NM 87401 | Telephone No. | 505-599-3458 |
| Facility Name | San Juan 28-7 Unit #62 | Facility Type | Gas Well |
| Surface Owner | Federal | Mineral Owner | Federal |
| | | Lease No. | NMSF-079298B |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|------------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| G | 12 | T27N | R7W | 1630' | North | 1650' | East | Rio Arriba |

Latitude 36.59144° Longitude 107.52207°

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release - Condensate | Volume of Release - 73 BBL | Volume Recovered - none |
| Source of Release: Frozen condensate tank drain valve | Date and Hour of Occurrence Estimated 1/11/06 | Date and Hour of Discovery 1/13/06 2:00 p.m. |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Denny Foust - OCD - via email Mark Kelly - BLM - via email | |
| By Whom? Monica D. Johnson | Date and Hour - 1/13/06 - 4:30 p.m. | |
| 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.* **A condensate spill of approximately 73 BBL was discovered at the San Juan 28-7 Unit #62 on 1/13/06, due to a freeze in the drain between a freeze valve and a non-freeze valve. Apparently, a freeze type valve was on the tank drain line, and a crew installed a non-freeze valve right next to the existing valve, without removing the freeze type valve. The freeze occurred between the two valves and broke, spilling the contents of the tank. There was 4' 10" of fluid in the 300 BBL tank prior to the release, and 1' 2" still remaining in the tank after the spill was discovered, for a loss of 3' 8" equaling 73 BBL. All spilled fluids remained within the bermed area but soaked down into the ground.**

To prevent this from occurring again, the freeze type valve was immediately removed, leaving only the nonfreeze valve on the drain.

Describe Area Affected and Cleanup Action Taken.* **All spilled fluids remained within the bermed area but soaked down into the ground. An investigation will be conducted to determine how deep the condensate penetrated into the soil. All stained soils will be excavated and hauled to Envirotech and the excavated area will be backfilled with clean fill dirt. Unless further information is discovered upon remediation activities, this will be the final report.**

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: <i>Monica D. Johnson</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Monica D. Johnson | Approved by District Supervisor: <i>Brandon Powell</i> For: <i>Charlie Perrin</i> | |
| Title: Environmental Specialist | Approval Date: <i>5/26/2006</i> | Expiration Date: |
| E-mail Address: monica.johnson@conocophillips.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 1/13/06 Phone: 505-599-3458 | | |

* Attach Additional Sheets If Necessary

n BP0615237861