

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 March 17, 1999

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

Release Notification and Corrective Action

30 039 26558

OPERATOR

☒ Initial Report ☒ Final Report

Name of Company <b>Phillips Petroleum Company</b>	Contact <input checked="" type="checkbox"/> R. A. Wirtanen
Address <b>5525 Hwy. 64 Farmington, NM 87401</b>	Telephone No. <input checked="" type="checkbox"/> 505-599-3462
Facility Name <b>San Juan 29-5 #13M</b>	Facility Type <input type="checkbox"/> Gas Well

Surface Owner <b>Fee- Joseph Espinosa</b>	Mineral Owner <b>FEE</b>	Lease No. <input type="checkbox"/> FEE
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LOCATION OF RELEASE

Unit Letter <b>O</b>	Section <b>30</b>	Township <b>29N</b>	Range <b>5W</b>	Feet from the <b>1309</b>	North/South Line <b>South</b>	Feet from the <b>1349</b>	East/West Line <b>East</b>	County <input type="checkbox"/> Rio Arriba
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NATURE OF RELEASE

Type of Release <b>2% KCl &amp; purified water</b>	Volume of Release <b>40 bbls</b>	Volume Recovered <input type="checkbox"/>
Source of Release <b>Frac Tank</b>	Date and Hour of Occurrence <b>12/18/01 @ am early</b>	Date and Hour of Discovery <input type="checkbox"/> 12/19/01 <b>@ 1900 hrs by MoTe Operator</b>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <b>NMOCD - Denny Foust via -e-mail.</b>	
By Whom? <b>Patsy Clugston - Sr. Regulatory Clerk</b>	Date and Hour <input type="checkbox"/> 12/20/01 @ 1545 hrs	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. <b>N/A</b>	

If a Watercourse was Impacted, Describe Fully.\*  
**A watercourse was not reached.**

Describe Cause of Problem and Remedial Action Taken.\*

**6 Key Energy frac tanks on location, all containing 2% KCL & purified water set up for frac job. All froze during the night, this particular tank (Key Tank #37) found to not have reformed crossbeams on the tank floor. As the liquid froze the tank bottom bulged and caused a crack in the floor. All leaked fluid remained on location and actually flowed to the lined workover pit on location. Key will ensure that all frac tanks have the reinforced tank bottoms in the future.**

Describe Area Affected and Cleanup Action Taken.\*

**Spilled water did not leave location, and will be removed once the workover is completed with the rest of the fluids from the flowback after the workover.**

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>Patsy Clugston</i>	OIL CONSERVATION DIVISION	
Printed Name: <b>Patsy Clugston</b>	Approved by <input type="checkbox"/> District Supervisor: <i>Denny Foust</i>	<i>for Frank Chavez</i>
Title: <b>Sr. Regulatory Clerk</b>	Approval Date: <i>12/26/01</i>	Expiration Date:
Date: <b>12/20/01</b> Phone: <b>505-599-3454</b>	Conditions of Approval:	Attached <input type="checkbox"/>

\* Attach Additional Sheets If Necessary

*NDGF0136031687*