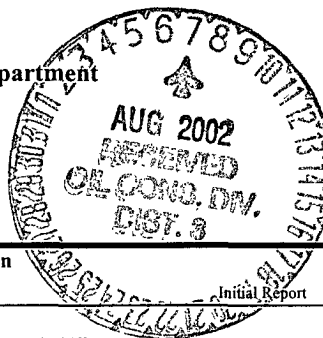


District I - (505) 393-6161
P O. Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 South First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

Form C - 141
Originated 2/13/97

State of New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131



Submit 2 copies to
Appropriate District
Office in accordance
with Rule 116 on
back side of form

Release Notification and Corrective Action

OPERATOR

Name Phillips Petroleum Company	Contact Robert A. Wirtanen
Address 5525 Hwy. 64, Farmington, New Mexico 87401	Telephone Number (505) 599-3462
Facility Name 32-8 #243 <u>API # 30-045-28276</u>	Facility Type CBM Well-site - Fruitland Coal

Surface Owner BLM	Mineral Owner BLM	Lease No. NMSF079047
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LOCATION OF RELEASE

Unit Letter M	Section 11	Township T31N	Range 8W	Feet from the 983	North/South Line South	Feet from the 1145	East/West Line West	County San Juan
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NATURE OF RELEASE

Type of Release produced water	Volume of Release 120 bbl	Volume Recovered 110 bbl
Source of Release cracked swedge on discharge piping of water pump	Date & Hour of Occurrence time unknown - sometime in the previous 24 hours	Date & Hour of Discovery Thursday 8/1/02 (1300 hr) by Operator Dan Debrick
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not required	If YES, To Whom? NMOCD-Denny Faust by e-mail; Mark Kelly of the BLM by e-mail State Land Office - Richard Gallegos 4601 College Blvd; Fmtn, 326-5716	
By Whom? Robert Wirtanen - Sr. EHS Splst. ... notified 7/31/02 @ 4:00 PM	Date and Hour 08/02/2002 1030 hr	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. NA	
If a Watercourse was impacted, describe fully. (Attach additional sheets if necessary) Spilled water did not reach a watercourse. Spill water did not leave the location or the on-site spill berm.		
Describe cause of problem and remedial action taken. (Attach additional sheets if necessary) The 2" x 1" swedge, (downstream of the electric waterpump) failed; see photos [Swedge was replaced; system is operating again] The cause of the swedge failure appeared to be excessive pump surging & vibration. This can be caused by any number of conditions. We have ruled-out a low lube on the pump as well as corrosion / erosion. Pump plunger sediment contamination can cause surging / vibration as can limit levels set too low.		
Describe area affected and cleanup action taken. Attach additional sheets if necessary all water remained inside the earthen spill - berm on the lease; 110 bbls of water was recovered using pump trucks; water was placed back into the water gathering system		
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>original signed by</i> Robert A. Wirtanen	OIL CONSERVATION DIVISION Approved by <i>Denny Faust</i> District Supervisor: <i>for Frank Chavez</i>	
Printed Name: Robert A. Wirtanen	Approval Date: 8/09/02 Expiration Date:	
Title: Sr. Safety & Environmental Specialist	Conditions of Approval:	
Date: 08/01/2002 Phone: 505-599-3462	Attached <input type="checkbox"/>	

NDGFO221750966

