

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

HOBBS OCD

Form C-141
Revised August 8, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

JUL 03 2014
Submit 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 DCP Midstream | Contact Jon D. Bebbington | |
| Address 10 Desta Drive, Ste 400 West | Telephone No. 432-620-4207 | |
| Facility Name W-4 10-inch Steel Lusk Discharge | Facility Type Pipeline | |
| Surface Owner BLM | Mineral Owner Unk | API No. |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|------------|--------------|-----------|---------------|------------------|---------------|----------------|------------|
| Unit Letter | Section 18 | Township 19S | Range 33E | Feet from the | North/South Line | Feet from the | East/West Line | County LEA |
|-------------|------------|--------------|-----------|---------------|------------------|---------------|----------------|------------|

Latitude 32.65897 Longitude -103.71018

NATURE OF RELEASE

| | | |
|------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------|
| Type of Release Gas, Iron Sulfide, condensate | Volume of Release 5416 MCF, 2 bbls condensate, 200 lbs FeS | Volume Recovered 2 bbls condensate (soil pile) |
| Source of Release Pipeline | Date and Hour of Occurrence | Date and Hour of Discovery |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Geoffrey Lekken | |
| By Whom? Jon D. Bebbington | Date and Hour 6-28-2014 8AM | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. N / A | |

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

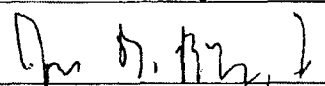
Describe Cause of Problem and Remedial Action Taken.*

On June 26, 2014 DCP Midstream's 10-inch steel gas pipeline known as the W-4 Lusk Discharge ruptured and released approx. 5416 MCF of natural gas, several hundred pounds of iron sulfide, and approx. 1-2 bbls of condensate. The iron sulfide was scattered over a 1.6 acre area. The condensate was localized to the immediate area around the pipeline rupture.

Describe Area Affected and Cleanup Action Taken.*

Upon discovery, the line was shut in and repaired on June 26, 2014. Condensate impacted soil was stockpiled on plastic to await sampling and disposal. On June 30, 2014 Jon Bebbington, Sheldon Hitchcock (Talon) and Randy Pair of BLM inspected the site to determine any remedial action. It was determined that the impacted vegetation would be washed with water and a mild surfactant, the disturbed area reseeded with BLM #2, and the soil pile sampled and hauled off for disposal. The vegetation washing took place on July 2, 2014.

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: Jon D. Bebbington | Approved by Environmental Specialist: | |
| Title: Principal Environmental Engineer | Approval Date: 7-3-14 | Expiration Date: 9-6-14 |
| E-mail Address: jdbbebbington@dcpmidstream.com | Conditions of Approval: Site Samples required | Attached <input type="checkbox"/> |

Delinquent Remediate site as per NMOCD guides. Submit final C-141 by 9-6-14

JUL 09 2014

7-14-3138
Ogrod 25575
1701918 827777
Pto 14 18 828348