



22 June 2007

Mr. Larry Johnson
Environmental Engineer Specialist
New Mexico Oil Conservation Division
1625 North French Drive
Hobbs, NM 88240

**RE: Delineation Proposal – State C-20 #1 Flow Line
NMOCD 1RP #1434 (API # 30025047260000); EPI Ref. #150022
UL-D (NW¼ of the NW¼) of Section 20, Township 21 South, Range 36 East
Latitude N 32° 28' 08.93" and Longitude W 103° 17' 32.88"**

Dear Mr. Johnson:

On 23 December 2005, a release from a 2-inch steel flowline occurred. The release consisted of approximately 23 barrels of crude oil and produced water of which none was recovered. ConocoPhillips retained Environmental Plus, Inc. (EPI) in June 2006 to delineate the extent of impacted soil at the site. This letter report documents site assessment and recommends further delineation via soil boring.

Site Background

The site is located in the NW¼ of the NW¼ of Section 20, Township 21 South, Range 36 East at an elevation of approximately 3,626 feet above mean sea level (reference *Figures 1 and 2*). The property is owned by the State of New Mexico and administered by the New Mexico State Land Office. A search for area water wells was completed utilizing the *New Mexico Office of the State Engineers* website and a database maintained by the United States Geological Survey (USGS). A total of thirteen (13) wells were recorded in the databases searched. The well identified as USGS #5 was found to be located within a 1,000-foot radius of the release location (reference *Table 1* and *Figure 2*). Based on available information, it was determined that the distance between the contamination and groundwater was over 100 feet. Utilizing this information, it was determined that the New Mexico Oil Conservation Division (NMOCD) Remedial Goals for this site are as follows:

Parameter	Remedial Goal
Benzene	10 parts per million
BTEX	50 parts per million
TPH	100 parts per million

***Chloride and Sulfate residuals may not be capable of impacting groundwater above NMWQCC of 250 mg/L and 600 mg/L, respectively*

Field Work

EPI field personnel conducted an initial site assessment of 9 June 2006 to photograph and document the extent of the release. Based on the initial site assessment, the release consisted of approximately 1,400-square feet of pasture to an unknown depth.

RP# 1434

Recommendations

Based on initial site assessment activities, it is recommended the site be delineated via a soil boring (or test trench) advanced within the release area near the point of release and an additional soil boring (or test trench) approximately 45-feet to the southwest (reference *Figure 4*). Soil samples should be collected at the surface, 2-foot and 5-foot bgs initially and at 5-foot intervals thereafter until two (2) consecutive samples are below remedial threshold/goals. Remedial threshold/goals will be determined in the field utilizing a portion of each sample for organic vapor and chloride concentration analyses. The remaining portion will be submitted to an independent laboratory for verification of total petroleum hydrocarbons (TPH); benzene, toluene, ethylbenzene and total xylenes (BTEX constituents); chlorides and sulfates. A remediation proposal will be developed upon receipt of laboratory analytical data.

Should you have any questions or concerns, please feel free to contact me at (505) 394-3481 or via e-mail at jstegemoller@envplus.com. Upon your approval, EPI will initiate delineation activities. Official correspondence should be submitted to:

Mr. Jesse Sosa
ConocoPhillips Corporation
1410 West County Road
Hobbs, NM 88240
(505) 391-3126
jesse.a.sosa@conocophillips.com

Sincerely,

ENVIRONMENTAL PLUS, INC.

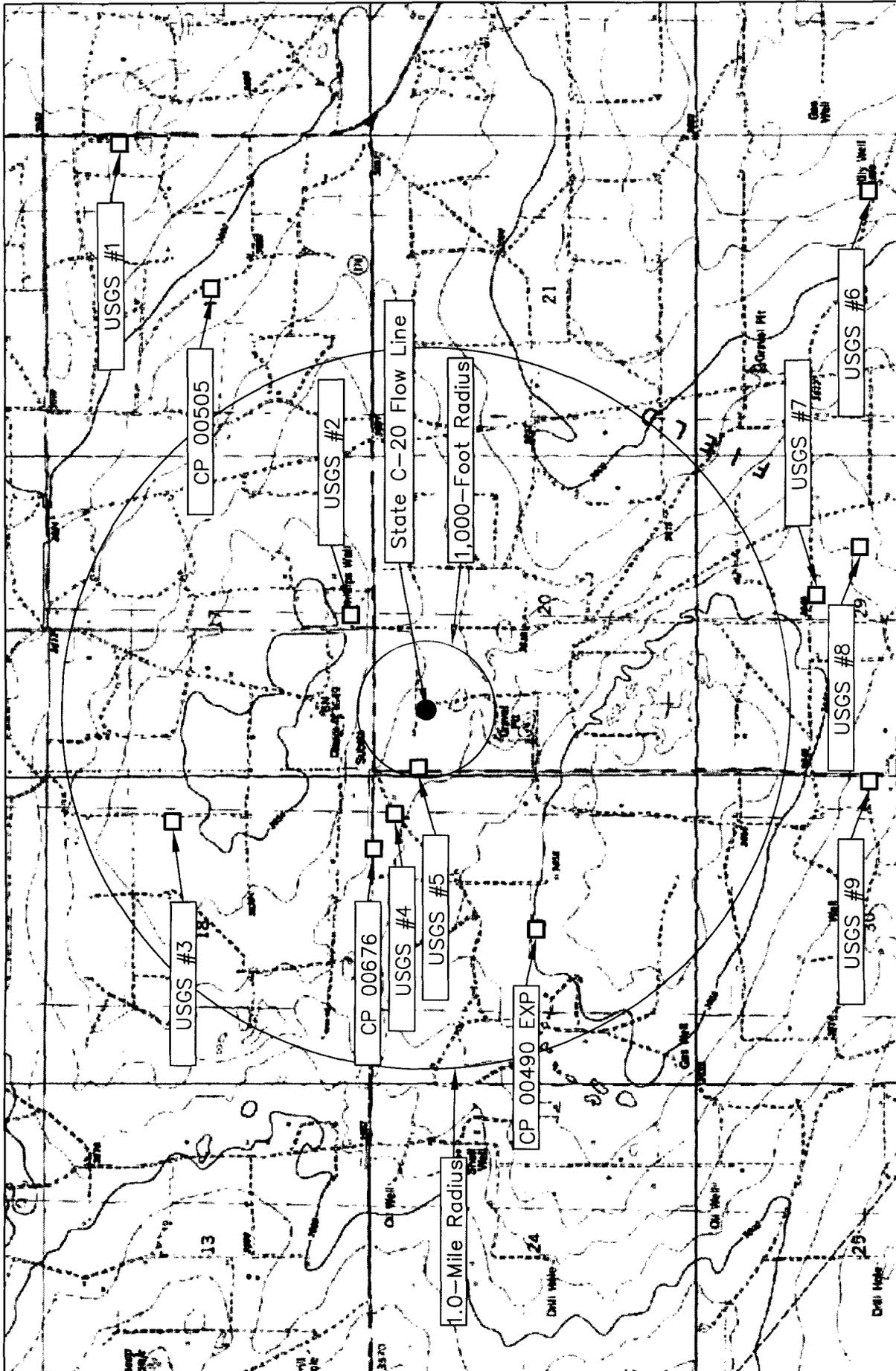


Jason Stegemoller
Environmental Scientist

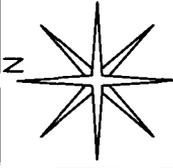
cc: John Abney, ConocoPhillips – Hobbs, NM
Jesse Sosa, ConocoPhillips – Hobbs, NM
Thaddeus Kostrubala, NMSLO – Sante Fe, NM
Myra Meyers, NMSLO – Hobbs, NM
Dasco Cattle Company, LLC., Agricultural Lessee – Tatum, NM
File

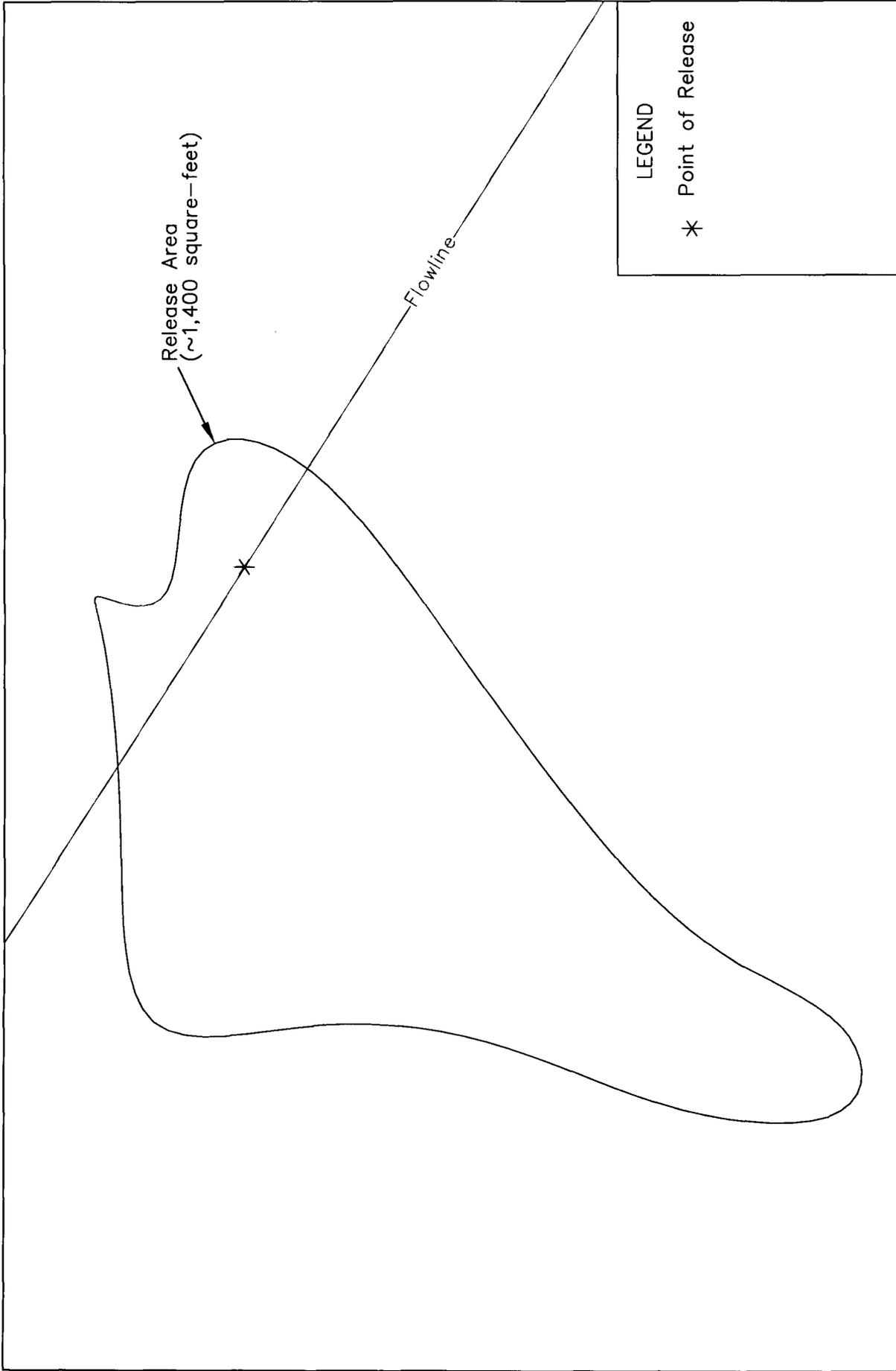
encl. Figure 1 – Area Map
Figure 2 – Site Location Map
Figure 3 – Site Map
Figure 4 – Proposed Soil Boring Location Map
Table 1 – Well Information Report
Attachment I – Informational Copy of Initial C-141
Attachment II – Site Photographs

FIGURES



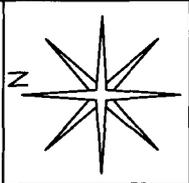
<p>Figure 2 Site Location Map ConocoPhillips State C-20 Flow Line</p>	<p>Lea County, New Mexico NW 1/4 of the NW 1/4, Sec. 20, T21S, R36E N 32° 28' 08.93" W 103° 17' 32.88" Elevation: 3,626 feet amsl</p>		<p>DWG By: Daniel Dominguez September 2006</p>	<p>REVISED:</p>
	<p>0 2,000 4,000 Feet</p>			





LEGEND

* Point of Release



REVISED:

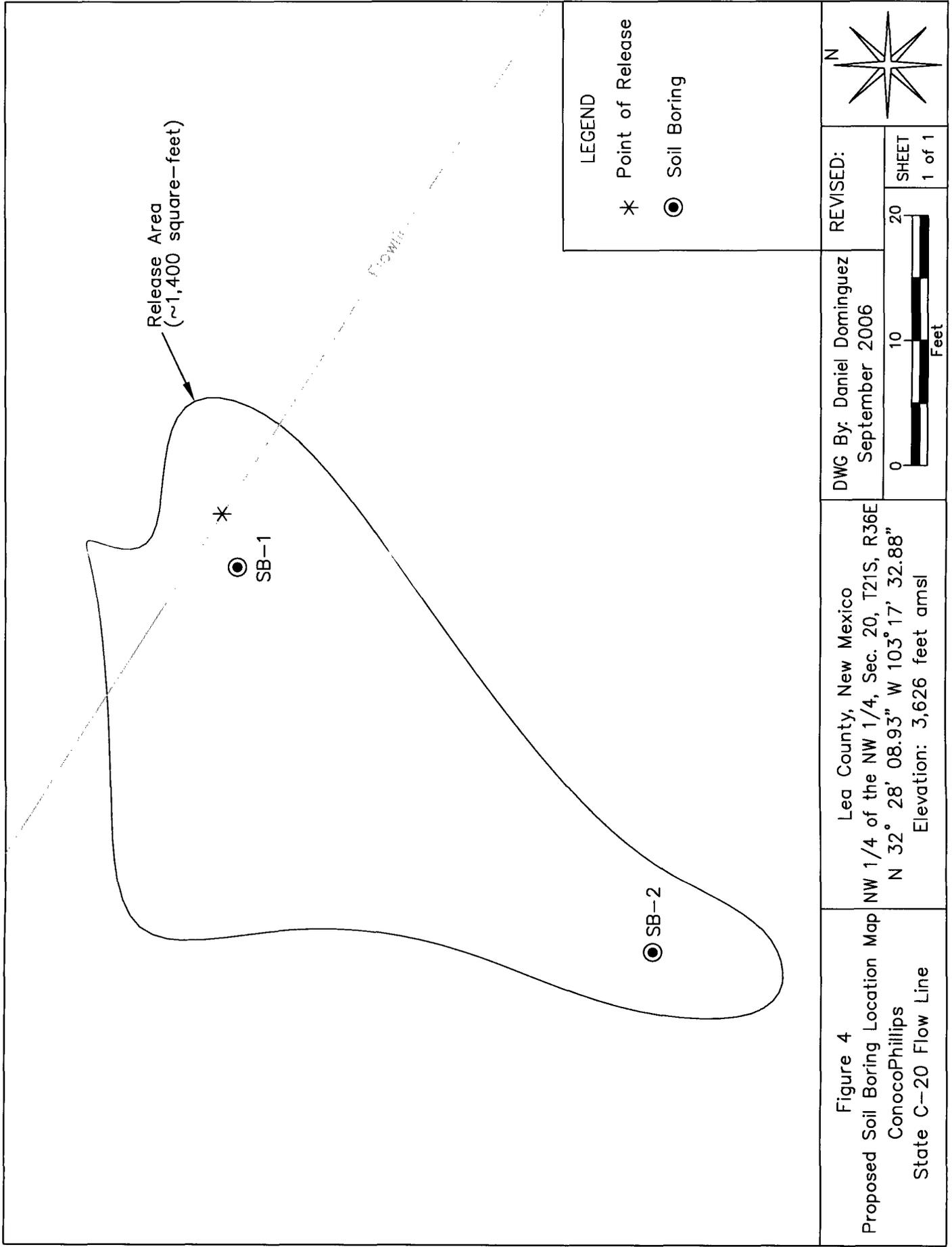
SHEET 1 of 1

DWG By: Daniel Dominguez
September 2006

0 10 20
Feet

Lea County, New Mexico
NW 1/4 of the NW 1/4, Sec. 20, T21S, R36E
N 32° 28' 08.93" W 103° 17' 32.88"
Elevation: 3,626 feet amsl

Figure 3
Site Map
ConocoPhillips
State C-20 Flow Line



TABLES

TABLE 1
Well Data

Conoco Phillips - State C-20 Flow Line (Ref. # 150022)

Well Number	Diversion ^A	Owner	Use	Twsp	Rng	Sec	q	q	q	Latitude	Longitude	Date Measured	Surface Elevation ^B	Depth to Water (ft. bgs)
CP 00505	3	SNYDER RANCHES LTD.	STK	21S	36E	16	2			N32° 28' 43.53"	W103° 16' 11.43"	10-Jul-72	3,605	195
CP 00676	0	JOE E. SIMS	DOM	21S	36E	18	4	1		N32° 28' 17.46"	W103° 17' 59.37"	30-Apr-93	3,630	106
CP 00490 EXP	0	U. R. CATTLE CO.	STK	21S	36E	19	2	3		N32° 27' 51.41"	W103° 18' 14.75"		3,650	
USGS #1				21S	36E	16	2	2	4			31-Jan-91	3,575	174.98
USGS #2				21S	36E	17	4	3	3			07-Mar-96	3,649	242.65
USGS #3				21S	36E	18	2	4	1			07-Feb-96	3,646	233.83
USGS #4				21S	36E	19	2	2	1			18-Mar-86	3,626	217.34
USGS #5				21S	36E	20	1	1	3			07-Jan-54	3,626	215.96
USGS #6				21S	36E	28	4	2	1			15-Feb-96	3,580	186.14
USGS #7				21S	36E	29	2	3	1			06-Apr-91	3,645	246.87
USGS #8				21S	36E	29	2	3	4			08-Sep-70	3,639	240.89
USGS #9				21S	36E	30	4	2	2			13-Feb-96	3,635	230.69
CP 00721	0	ROSS CHINSON	STK	21S	36E	30	4	2	2	N32° 26' 46.01"	W103° 26' 46.01"		3,620	

^A = in acre feet per annum

^B = Elevation interpolated from USGS topographical map based on referenced location
DOM = 72-12-1 Domestic one household

STK = 72-12-1 Livestock watering
quarters are 1=NW, 2=NE, 3=SW, 4=SE; quarters are biggest to smallest

Shaded areas indicate wells not shown on Figure 2

ATTACHMENT I
SITE PHOTOGRAPHS



6/9/2006

Photo #1 – Looking northeasterly across point of release and overspray area.



6/9/2006

Photo #2 – Looking northeasterly across release area.

ATTACHMENT II

INFORMATIONAL

COPY OF INITIAL C-141

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 John Abney
Address 4001 Penbrook Street Odessa, TX 79762	Telephone No. (505)391-3128
Facility Name State C-20 Well #1	Facility Type Oil Well

Surface Owner State of New Mexico	Mineral Owner State of New Mexico	Lease No. IRP 1454
--	--	---------------------------

LOCATION OF RELEASE

Unit Letter D	Section 20	Township 21S	Range 36E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
----------------------	-------------------	---------------------	------------------	---------------	------------------	---------------	----------------	-------------------

Latitude **32° 28.14'N** Longitude **103° 17.52'W**

NATURE OF RELEASE

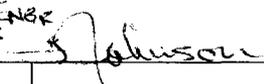
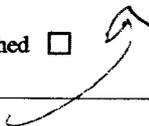
Type of Release Oil and Water	Volume of Release 23 BBLs	Volume Recovered 0
Source of Release 2" steel flowline	Date and Hour of Occurrence 12/23/05 9am	Date and Hour of Discovery 12/23/05 9am
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? NA	
By Whom?	Date and Hour NA	
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.*
NA

Describe Cause of Problem and Remedial Action Taken.*
A 2" steel flowline leaked and no fluid was recovered.

Describe Area Affected and Cleanup Action Taken.*
At 9:30 am COPC MSO Jesse Sosa received a call from the Answering Service that a third party had found a flowline leak on the State C-20 lease it was confirmed that the line went to the #1 well and the well was shut in. A temporary clamp was placed on the line until the joint of pipe can be replaced. The affected area is 13' X 80' X 24" and no fluid was recovered. The site will be delineated to determine the necessary cleanup procedures.

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: John Abney	Approved by District ^{ENR} Supervisor 	
Title: SHEaR Specialist	Approval Date: 6-27-07	Expiration Date: 8-27-07
E-mail Address: john.h.abney@conocophillips.com	Conditions of Approval: Submit Final C-141 w/	Attached <input type="checkbox"/> 
Date: 12/24/2005	Phone: (505)391-3128	ATTACHED DOCUMENTATION 54

* Attach Additional Sheets If Necessary