3R398

GENERAL CORRESPONDENCE

2003 - 2004

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

September 28, 2004

Mr. Neal Goates
ConocoPhillips
Threadneedle 5022
600 North Dairy Ashford
Houston, Texas 77079-1175

RE: SCOTT #1 WELL SITE
CASE #3R-398
SAN JUAN COUNTY, NEW MEXICO

Dear Mr. Goates:

A review of the New Mexico Oil Conservation Division (OCD) files shows that a June 18, 2003 spill at the Scott #1 well site located in Unit K of Section 2, Township 29 North, Range 13 West, San Juan County, New Mexico may have impacted ground water. The OCD does not have any record of ConocoPhillips submitting any detailed subsequent information on ground water impacts or soil remediation at the site.

In order to rectify this matter, the OCD requires that:

1. ConocoPhillips shall install a ground water monitoring well downgradient and directly adjacent to the excavated area of the spill.

2. ConocoPhillips shall complete the monitor well as follows:

   a. At least 15 feet of well screen shall be placed across the water table interface with 5 feet of well screen above the water table and 10 feet of well screen below the water table.

   b. An appropriately sized gravel pack shall be set in the annulus around the well screen from the bottom of the hole to 2-3 feet above the top of the well screen.

   c. A 2-3 foot bentonite plug shall be placed above the gravel pack.

   d. The hole shall then be grouted to the surface with cement containing 3-5% bentonite.

   e. A concrete pad and locking well cover shall be placed at the surface.

   f. The well shall be developed after construction using EPA approved procedures.

3. No less than 24 hours after the well is developed, ConocoPhillips shall purged, sample and analyze ground water from the monitor well for concentrations of BTEX, polycyclic aromatic hydrocarbons (PAH), total dissolved solids (TDS) and New Mexico Water Quality Control Commission (WQCC) metals and major cations and anions using EPA approved methods and quality assurance/quality control (QA/QC).

4. ConocoPhillips shall notify the OCD at least 48 hours in advance of all scheduled activities such that the OCD has the opportunity to witness the events and split samples.

5. ConocoPhillips shall submit a comprehensive report to the OCD by December 28, 2004. The report shall be submitted to the OCD Santa Fe Office with a copy provided to the OCD Aztec District Office and shall include:

   a. A summary description of all investigation and remediation activities that occurred including conclusions and recommendations.

   b. A geologic/lithologic log for each soil boring and monitor well.

   c. A well completion diagram for each monitor well.

   d. A site map showing the location of tanks, pits, spills, excavated areas, borings, monitor wells, soil sample locations and any other pertinent site features.

   e. Summary tables of all soil and ground water quality sampling results to date and copies of all laboratory analytical data sheets and associated QA/QC data.

   f. The disposition of all wastes generated.

   g. Photos of various phases of the remedial activities.

If you have any questions, please contact me at (505) 476-3491.

Sincerely,

William C. Olson
Hydrologist
Environmental Bureau

xc: Denny Foust, OCD Aztec District Office

Olson, William

From: Goates, R. Neal [Neal.Goates@conocophillips.com]
Sent: Tuesday, March 30, 2004 6:31 AM
To: Olson, William
Cc: Jeff Blagg; Goates, R. Neal
Subject: Scott Drake Site Initial Findings


Scott Report.pdf

Bill,
Please see attached report and recommendation for your review. The report was faxed and I converted to pdf. Let me know if the quality is ok for your review. I can send you a paper copy when Jeff sends me one. Thanks for your time.

Neal Goates
Risk Management and Remediation Site Manager
ConocoPhillips
832-465-4123
832-379-6427

BLAGG ENGINEERING, INC.

P.O. Box 87, Bloomfield, NM 87413
Phone:(505)632-1199 Fax:(505)632-3903

FACSIMILE COVER PAGE

Date: 3/29/04

Time: 1445

To: Neal Goates

Company: ConocoPhillips

Fax No.: (801)382-1674

From: Jeff Blagg

No. Pages, Including Cover: 8

Neal:

Following is my report for the piezometer monitoring at the Scott No. 1. We will put a hard copy in todays USPS.

Thanks,
Jeff

Office: (505)632-1199
Cell: (505)320-1183

BLAGG ENGINEERING, INC.
P.O. Box 87, Bloomfield, New Mexico 87413
Phone: (505)632-1199 Fax: (505)632-3903

March 29, 2004

Mr. Neal Goates
RM & R Site Manager
ConocoPhillips
Threadneedle Office
P.O. Box 2197
Houston, TX 77252 - 2197

Re: ConocoPhillips - Scott No. 1 - Letter Report on Piezometer Installation
(K) Sec. 2 - T29N - R13W
San Juan County, New Mexico

Dear Mr. Goates:

Pursuant to your request, Blagg Engineering, Inc. (BEI) installed shallow piezometers at the Scott No. 1 well site to determine groundwater depth and gradient (see attached Site Map). This letter report presents the findings of these installations and provides recommendations for additional site work.

Apparent groundwater contamination was discovered at the site in June, 2003 that resulted from integrity failure of the underground hydrocarbon storage tank system. BEI inspected the site on June 26, 2004 and observed excavation of hydrocarbon impacted soils at the prior tank site. Groundwater was evident standing in the excavation at a depth of about 5 feet below site grade.

The Scott No. 1 well pad is contoured to a relatively flat grade and is secured with an 8 foot tall chain link fence. The terrain surrounding the well pad slopes from the northeast to the southwest and is planted in alfalfa. The agricultural field is watered with a sprinkler irrigation system.

Piezometer Installation Process

Three (3) piezometers were installed within the fenced location of the Scott No. 1 on July 14, 2004. A pickup mounted mobile drill unit utilizing 2-3/4 inch solid auger was used to advance borings until auger refusal was encountered at each drill site. A soft, silty sandy clay was found at the ground surface and extended to depths ranging between 8 - 12 feet. Below this depth, a river cobble/boulder strata was encountered that prevented further boring advancement. Two inch diameter PVC screen

and casing was installed in each of the borings for monitoring groundwater fluctuations. Logs and completion data for the three borings are attached.

During piezometer installation, point MW-1 was found dry to total depth of 13.3 feet. Cobbles prevented drilling the boring any deeper. No soil impacts by hydrocarbons were found at this boring location.

Piezometer MW-2 encountered cobbles at a depth of approximately 8 feet below grade. Initial depth to water was measured at 6.0 feet below ground surface. No soil impacts by hydrocarbons were observed in the boring.

Obvious hydrocarbon staining and odor was present at a depth of 6 - 7 feet in piezometer MW-3 during the drilling operation. Since the purpose of the piezometer installation was strictly to determine groundwater depth and gradient, this soil was not sampled for further testing. An initial water depth of 7.2 feet below grade was measured in this piezometer.

Piezometer Monitoring

The site piezometers were inspected on three occasions to determine the presence and depth of groundwater. The results of these inspections are presented below in Table 1:

Table 1

ConocoPhillips Scott No.1
Piezometer Inspection Results

Inspection Date	Piezometer MW-1	Piezometer MW-2	Piezometer MW-3
7/15/2003	Dry to 13.3 feet	GW @ 6.0 feet	GW @ 7.2 feet
1/22/2004	Dry to 13.3 feet	Found Destroyed	GW @ 9.1 feet
3/29/2004	Dry to 13.3 feet	NA	Dry to 9.25 feet

Since water has never been present in piezometer MW-1, it is not possible to determine an exact groundwater gradient direction. However, this data does support a general gradient direction in a southwest direction.

Piezometer MW-2 was discovered to be destroyed during the January 22, 2004 site inspection. It appeared that a work crew may have accidentally hit the surface riser with a backhoe. It was not possible to re-enter the piezometer and determine a groundwater depth.

Conclusions and Recommendations

Groundwater depth data from piezometer MW-3 indicates a seasonal water depth fluctuation to vary a minimum of several feet. Since piezometer MW-1 has never measured any water to total depth of 13.3 feet, a gradient direction cannot be accurately determined. However, since water at this piezometer location must be deeper that 13.3 feet from ground surface, it is evident that the site groundwater gradient must be in a southwest direction.

BEI recommends further investigations to properly delineate contamination at the site. At a minimum, three (3) groundwater monitor wells are indicated to be installed for determination of water quality and gradient direction. It is suggested that at least two (2) of these wells be installed outside of the fenced well pad to accurately determine if groundwater impacts have extended off-site. Exact well location placement should be determined following consultation with the surface rights owner and the New Mexico Oil Conservation Division Environmental Bureau. Since site strata includes subsurface cobbles and boulders, a conventional hollow stem auger drill unit will be required for these well installations.

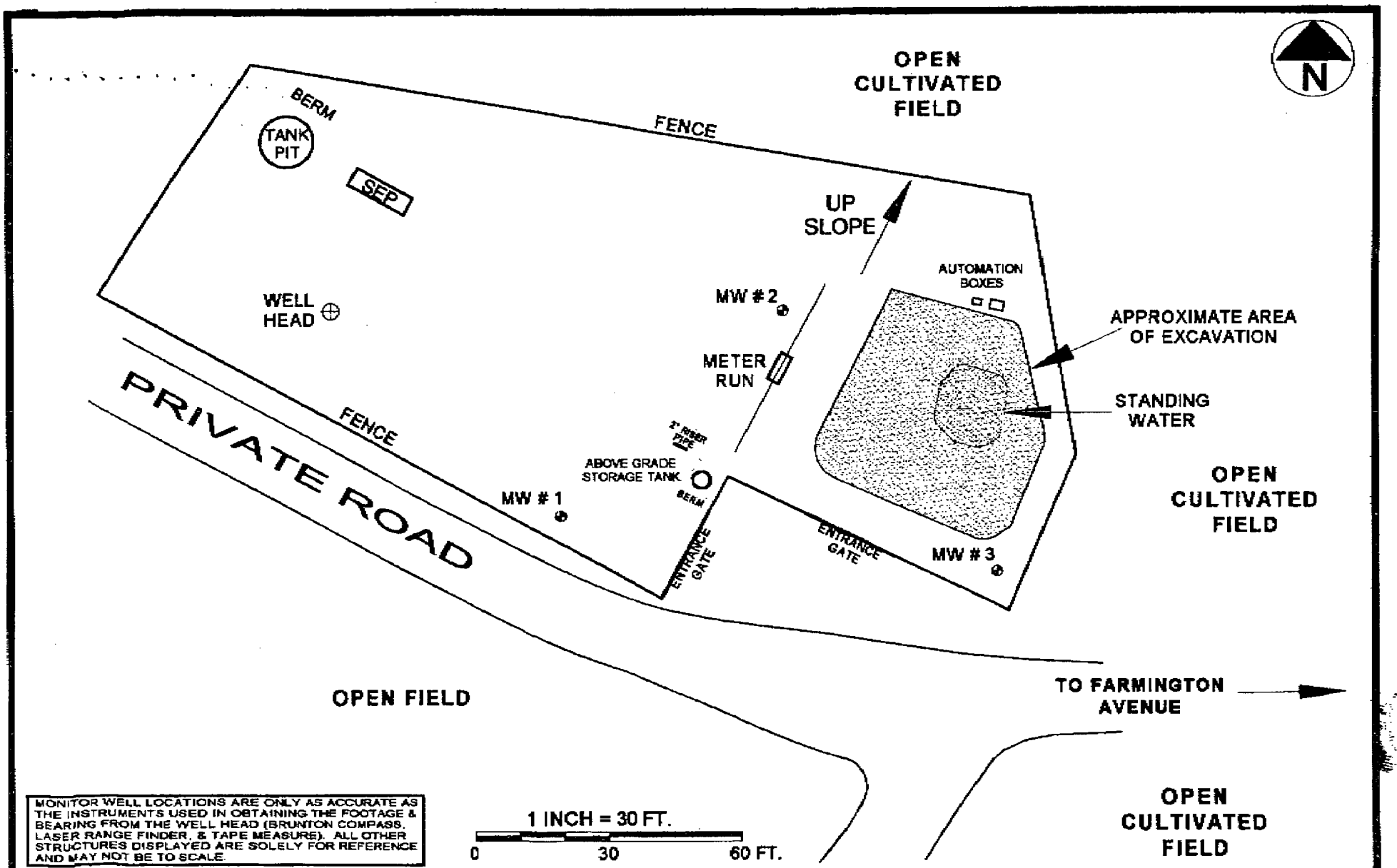
Questions concerning this transmittal may be directed to Jeff Blagg of BEI at (505)632-1199. It has been a pleasure to provide services to ConocoPhillips.

Respectfully submitted,
Blagg Engineering, Inc.

Jeffrey C. Blagg, President
NMPE 11607

Attachments: Site Map
Boring Logs

scott1.rpt.wpd



MONITOR WELL LOCATIONS ARE ONLY AS ACCURATE AS THE INSTRUMENTS USED IN OBTAINING THE FOOTAGE & BEARING FROM THE WELL HEAD (BRUNTON COMPASS, LASER RANGE FINDER, & TAPE MEASURE). ALL OTHER STRUCTURES DISPLAYED ARE SOLELY FOR REFERENCE AND MAY NOT BE TO SCALE.

CONOCO PHILLIPS

SCOTT # 1 - DAKOTA

NE/4 SW/4 SEC. 2, T29N, R13W

SAN JUAN COUNTY, NEW MEXICO

BLAGG ENGINEERING, INC.

CONSULTING PETROLEUM / RECLAMATION SERVICES

P.O. BOX 87

BLOOMFIELD, NEW MEXICO 87413

PHONE: (505) 632-1199

PROJECT: REMED. PLAN

FILENAME: SCOTT-1-SM.SKF

DRAFTED: 07/24/03

DRAWN BY: NJV

SITE MAP

07/03

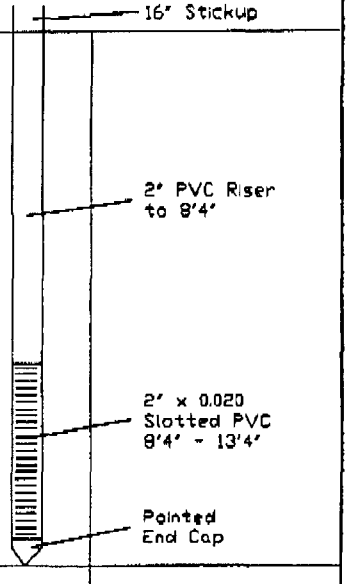
BLAGG ENGINEERING, INC.
P.O. BOX 87, BLOOMFIELD, NM 87413
(505) 632-1199

BORING REPORT: SCOTT NO. 1 – MW-1

PROJECT: ConocoPhillips - Sec 2 T29N R13W - San Juan Co. - NM
CLIENT: ConocoPhillips
DRILLING CONTRACTOR: Blagg Engineering, Inc.
EQUIPMENT USED: Earthprobe 200 Truck Mounted Drill Unit w/2.75" Solid Auger
DATE START: 7/14/2003 DATE FINISH: 7/14/2003 DRILLER: J. Blagg LOGGED BY: J. Blagg
TOTAL DEPTH: 13.3 FEET CASING TYPE & SIZE: 2" PVC SLOT SIZE: 0.020
COMMENTS: Auger refusal at 13.3 feet - apparent cobbles.
No groundwater encountered to total depth.

DEPTH FEET	USCS	OVM HEADSPACE PPM	GRAPHIC LOG	SAMPLE DESCRIPTION
0				0' - 12' Silty sandy clay, dry to moist, cohesive, dark brown. No hydrocarbon odor or stain.
5				
10				12' - 13.3' Apparent river cobbles. Auger refusal at 13.3'
15				TOTAL DEPTH DRILLED 13.3 FEET
20				
25				

PIEZOMETER DETAILS



BLAGG ENGINEERING, INC.
P.O. BOX 87, BLOOMFIELD, NM 87413
(505) 632-1199

BORING REPORT: SCOTT NO. 1 - MW-2

PROJECT: ConocoPhillips - Sec 2 T29N R13W - San Juan Co. - NM
CLIENT: ConocoPhillips
DRILLING CONTRACTOR: Blagg Engineering, Inc.
EQUIPMENT USED: Earthprobe 200 Truck Mounted Drill Unit w/2.75" Solid Auger
DATE START: 7/14/2003 DATE FINISH: 7/14/2003 DRILLER: J. Blagg LOGGED BY: J. Blagg
TOTAL DEPTH: 8.0 FEET CASING TYPE & SIZE: 2" PVC SLOT SIZE: 0.020
COMMENTS: Auger refusal at 8.0 feet - apparent cobbles.

DEPTH FEET	USCS	OVM HEADSPACE PPM	GRAPHIC LOG	SAMPLE DESCRIPTION	PIEZOMETER DETAILS
5				0' - 8' Silty sandy clay, dry to moist, cohesive, dark brown. No hydrocarbon odor or stain.	GL; 24" Stickup; 2" PVC Riser to 3'; 2" x 0.020 Slotted PVC 3' - 8'; Pointed End Cap
				8.0' Apparent river cobbles.	
10				TOTAL DEPTH DRILLED 8.0 FEET	
15					
20					
25					

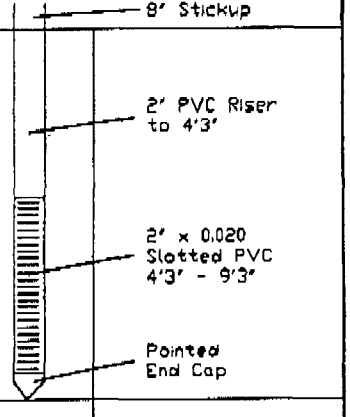
BLAGG ENGINEERING, INC.
P.O. BOX 87, BLOOMFIELD, NM 87413
(505) 632-1199

BORING REPORT: SCOTT NO. 1 – MW-3

PROJECT: ConocoPhillips - Sec 2 T29N R13W - San Juan Co. - NM
CLIENT: ConocoPhillips
DRILLING CONTRACTOR: Blagg Engineering, Inc.
EQUIPMENT USED: Earthprobe 200 Truck Mounted Drill Unit w/2.75" Solid Auger
DATE START: 7/14/2003 DATE FINISH: 7/14/2003 DRILLER: J. Blagg LOGGED BY: J. Blagg
TOTAL DEPTH: 9.25 FEET CASING TYPE & SIZE: 2" PVC SLOT SIZE: 0.020
COMMENTS: Auger refusal at 9.25 feet - apparent cobbles.

DEPTH FEET	USCS	OVM HEADSPACE PPM	GRAPHIC LOG	SAMPLE DESCRIPTION
5				0' - 9.25' Silty sandy clay, dry to moist, cohesive, dark brown. Minor hydrocarbon odor & stain from 6' - 9.25'
10				9.25' Apparent river cobbles. TOTAL DEPTH DRILLED 9.25 FEET
15				
20				
25				

PIEZOMETER DETAILS



Olson, William

From: Goates, R. Neal [Neal.Goates@conocophillips.com]
Sent: Monday, March 08, 2004 9:17 AM
To: Jeffcblagg@aol.com
Cc: Bill Olson; Goates, R. Neal
Subject: RE: Lowest GW Depths

Jeff,
Please send me a report on findings when you drilled the monitor wells last year. The NMOCD has all the soil reports and spill reports needed. We need to follow up with current gw findings in order for the agency to request to make recommendations regarding actions needed to close the site. Thx. Feel free to call about billing instructions etc.

Neal Goates
832-465-4123 cell
832-379-6427 office

-----Original Message-----
From: Jeffcblagg@aol.com [mailto:Jeffcblagg@aol.com]
Sent: Thursday, September 11, 2003 7:58 AM
To: Goates, R. Neal
Subject: Re: Lowest GW Depths

Neal:

I agree that we should see the lowest perched water beginning this winter. At sites similar to this in this region we normally see the lowest water tables between December - March. Most of the irrigation ditches are empty between Oct 15 - Mar 15 and this appears to coincide with reduced water depths.

Thanks,
Jeff
jeffcblagg@cs.com
(505)632-1199(o)
(505)320-1183(c)

Olson, William

From: Goates, R. Neal [Neal.Goates@conocophillips.com]
Sent: Monday, March 08, 2004 9:12 AM
To: Bill Olson
Subject: FW: Scott #1 Drake Ranch Site

-----Original Message-----
From: Jeffcblagg@aol.com [mailto:Jeffcblagg@aol.com]
Sent: Thursday, June 26, 2003 12:08 PM
To: Goates, R. Neal
Subject: Scott #1 Drake Ranch Site

Neal:
Attached are three (3) photos of the site. Photo 1 is looking south in the estimated direction of groundwater flow, Photo 2 is looking west and Photo 3 is looking north.

My suggested scope of work is as follows:

1) Drill three piezometers on the well pad to determine the groundwater gradient at the spill site. The drilling and surveying can be completed in one day. We need to give the piezometers several days to stabilize before determining gradient.

2) Following a determination of gradient direction, move off location and collect soil samples with the geoprobe in the vadose zone following the estimated gradient. Attempt to determine the extent of vadose zone impacts. It is difficult to estimate the number of borings necessary. Anywhere between 10 - 50, based on the size of the plume. This will need to be coordinated with the landowner.

3) After the vadose zone impacts are determined, install downgradient monitor wells. I suggest using a conventional hollow stem auger for this to insure good well integrity. If our data from 1) and 2) above is good, we may get by with just a few wells, between 3 - 5. This will need to be coordinated with the landowner.

I will fax you my hand drawn site diagram.

Thanks,

Jeff Blagg
Blagg Engineering, Inc.
Office: (505)632-1199
Cell: (505)320-1183

Olson, William

From: Goates, R. Neal [Neal.Goates@conocophillips.com]
Sent: Monday, March 08, 2004 9:10 AM
To: Bill Olson
Subject: FW: Resent incident within shallow groundwater.


Spill Summary Scott #1.doc


Spill Scott #1 6-18-03.doc

See if this will satisfy the requirements.

-----Original Message-----
From: Rodahl, Monica
Sent: Friday, June 20, 2003 6:26 PM
To: Goates, R. Neal
Cc: Mankin, Mike L.; Jaap, WD.Danny; Clugston, Patsy L; Wirtanen, Bob A; Ratcliff, Douglas S; Barnett, James D; O'Nan, Mike J.; Lentz, Tom W.; Dee, Harry P; Chavez, Virgil E; Ritter, Timmy D.; Nelson, Michael J; fmcd_best@hotmail.com
Subject: Re: Resent incident within shallow groundwater.

Neal,

I believe you and your group will be taking over this project, so please see the attached summary of the spill at the Scott #1, as well as the initial report submitted to the NMOCD (Denny Foust in Aztec and Bill Olsen in Santa Fe).

The summary contains a brief narrative of the work that has gone on so far, and for the work that has been requested of us by the NMOCD. I plan to draw up a sketch of the location and send some digital photographs on Monday to you all via email.

Please let me know if you have any questions. Thank you!

<<Spill Summary Scott #1.doc>> <<Spill Scott #1 6-18-03.doc>>

Monica D. Rodahl
HSE & Regulatory Technician
ConocoPhillips Company
Farmington, NM
Office: 505-599-3458
Cell: 505-320-9056
Pager: 505-564-5666
Email: monica.rodahl@conocophillips.com

R. Neal Goates/goatern/Exchange@Exchange
06/20/2003 01:47 PM

To: Monica D Rodahl/PPCO@Phillips
cc: Mike L. Mankin/mankiml/Exchange@Exchange
Subject: Resent incident within shallow groundwater.

Monica,

Just a reminder to send me a copy of the spill report. You can send via fax if you want at 801-382-1674. That will go direct to my computer. Also any additional information you have to date field activity, contractor information and the company personnel in which I would need to interface with.

Neal Goates
RM&R Site Manager
ConocoPhillips
Threadneedle Office
PO Box 2197
Houston, TX 77252-2197
phone: 832-379-6427
etn: 679-6427
fax: 801-382-1674
cell: 832-465-4123
email: Neal.Goates@conocophillips.com

Spill at Scott #1 on 6-18-03
Summary

A spill was discovered at the Scott #1 on Wednesday, 6-18-03 at approximately 11:30 am. An initial report was sent to Denny Foust at the NMOCD, reporting an estimated 5 BBL condensate spill. Also notified was Bill Olsen with the NMOCD in Santa Fe. Tom Lentz, Central Operations Supervisor, notified Alan and Gail McCulloch, the landowners about the spill. The Scott #1 is in Farmington on the Drake Ranch. Gail is the daughter of Jimmy Drake. The wellsite is fenced and surrounded by irrigated pasture land.

A high level detection alarm failed on the 90 BBL horizontal underground tank, causing the tank to overflow. The well was shut in and all lines were blown down and an emergency one-call was made to mark underground lines to excavate.

Excavation began on Thursday, 6-19-03, by a Flint roustabout crew, coordinated by Harry Dee (Expeditor), with Tony Quintana (Flint General Roustabout Superintendent). A hole was dug near the fence line to 10' in depth, where water was encountered. Black soils were present from 3' to 10'. An OVM was used to assess the hydrocarbon concentration in the soil, with a reading obtained of over 2000 ppm. The hole was backfilled and the crew began digging around the underground storage tank, where black soils were encountered around it from 3' – 10' in depth. This had also been the site of a spill in the past, maybe 15 years ago when Conoco acquired the well, and a large remediation project was done. It is probable that much of the stained soils are from this previous spill.

On Friday, 6-20-03, there was a meeting held at the site with the following present: Monica Rodahl (SHEAR Tech), JD Barnett (Prod/Facility Engineer), Mike O'Nan (filling in for Tom Lentz who was on vacation), Harry Dee (Expeditor), Frank McDonald (BEST Environmental – Consultant), Denny Foust (NMOCD), and the Flint roustabout crew. At Denny's request, we agreed to excavate as much stained soil as practical on location. He also requested we install a monitor well just inside the fence line down gradient from the tank. Based on the results of water analysis from that well in a week or so, he also suggested we ask the landowners for permission to install more monitor wells on the other side of the road, down gradient from the location and also one up gradient from the tank. The plan of action was to excavate stained soils on location no more than 20' from the meter run and 10' from the fence.

The tank was removed and taken to PESCO for leak testing. The crew continued to excavate and soils were hauled to Envirotech landfarm at Hilltop, NM. At the end of the day Friday, approximately 4000 cf (15 cy) had been excavated (20' x 20' x 10' deep). The excavation could extend to 30' x 40' x 10' deep (with meter run and fence line safety zones).

Company Personnel Involved:
Barnett, JD – Engineer
Brooks, Ricky – MSO
Dee, Harry – Expeditor – Coordinates roustabout crews
Mankin, Mike – ROW and landowner liaison
O'Nan, Mike – fill in for Tom Lentz (on vacation) as Operation Supervisor
Rodahl, Monica – SHEAR Technician

Other company personnel involved include Danny Jaap, Tom Lentz, Bob Wirtanen, Mike Nelson, and Neal Goates.

Contractors / Regulatory:
Denny Foust – NMOCD – 505-334-6178 x. 15 (office)
Frank McDonald – BEST Environmental – 505-486-0058 (cell)
Tony Quintana – Flint – 505-860-6703 (cell)
Jeff Blagg – Blagg Engineering – 505-320-1183 (cell) (consulted to possibly drill monitor well on Monday, 6-23-03)

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

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	ConocoPhillips Company	Contact	Monica D. Rodahl
Address	5525 Hwy. 64, Farmington, NM 87401	Telephone No.	505-599-3458
Facility Name	Scott #1	Facility Type	Gas well API #30-045-13094

Surface Owner Fee	Mineral Owner Fee	Lease No. Fee

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
K	2	T29N	R13W	2220	South	1450	West	San Juan

NATURE OF RELEASE

Type of Release: Condensate	Volume of Release: Estimated 5 BBL	Volume Recovered: none
Source of Release: Underground tank overflowed due to detection system failure	Date and Hour of Occurrence: 6/18/2003	Date and Hour of Discovery: 6/18/2003 – 1130 hr
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Alan & Gail McCulloch – 6/18/03 @ 1330 hr – via phone Denny Foust – OCD – 6/18/2003 @ 1600 hr – via email	
By Whom? Monica D. Rodahl	Date and Hour: 6/18/2003 – 1600 hr	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* A high level / leak detection alarm failed on an underground condensate tank, causing the tank to overflow, resulting in an estimated 5 BBL spill. Lines were shut in and an emergency one-call was placed to excavate stained soils and investigate detection failure.

Describe Area Affected and Cleanup Action Taken.*
The area affected is on the Drake Ranch south of 30th Street in Farmington. The landowner (Gail McCulloch) was promptly notified. Remediation will commence the morning of 6/19/03, with a final report to follow.

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: *Original signed by Monica D. Rodahl*	OIL CONSERVATION DIVISION
Printed Name: Monica D. Rodahl	Approved by District Supervisor:
Title: Safety, Health, Environmental, & Regulatory Technician	Approval Date: / Expiration Date:
Date: 6/18/2003 Phone: 505-599-3458	Conditions of Approval: / Attached ☐

* Attach Additional Sheets If Necessary

Olson, William

From: Monica D Rodahl [Monica.Rodahl@conocophillips.com]
Sent: Thursday, June 19, 2003 11:38 AM
To: wolson@state.nm.us
Cc: Patricia Clugston; Robert A Wirtanen; W D Jaap; Michael J Nelson; Mike J. O'Nan; Harry P Dee; Douglas S Ratcliff
Subject: Reportable Spill - Scott #1

Spill Kate Standage #1 6-18-03... Spill Scott #1 6-18-03.doc

Bill,

Please find the initial spill report I sent to Denny Foust yesterday regarding the Scott #1. This is the location where we began remediation this morning and hit groundwater at 10'. The initial plan is to excavate as much stained soil as possible and install a monitor well. I will send a final report when work is completed. Let me know if you have any more questions. Thank you!

Monica D. Rodahl
HSE & Regulatory Technician
ConocoPhillips Company
Farmington, NM
Office: 505-599-3458
Cell: 505-320-9056
Pager: 505-564-5666
Email: monica.rodahl@conocophillips.com
----- Forwarded by Monica D Rodahl/PPCO on 06/19/2003 11:22 AM -----

Monica D Rodahl

06/18/2003 05:11 PM

To: dfoust@state.nm.us
cc: Patricia Clugston/PPCO@Phillips, Robert A Wirtanen/PPCO@Phillips, Timmy D. Ritter/RitteTD/Exchange@Exchange, W D Jaap/PPCO@Phillips, Virgil E Chavez/PPCO@Phillips, Tom W. Lentz/lentztw/Exchange@Exchange, Douglas S Ratcliff/PPCO@Phillips
Subject: Reportable Spills - Kate Standage #1 & Scott #1

Denny,

This is to inform you that ConocoPhillips had two reportable spills today on the Kate Standage #1 and the Scott #1. Both are fee wells. Attached are the C141 Release Notification forms. I will send final reports when

investigation and remediation are complete. If you have any questions, please give me a call. Thank you.

(See attached file: Spill Kate Standage #1 6-18-03.doc)(See attached file: Spill Scott #1 6-18-03.doc)

Monica D. Rodahl
HSE & Regulatory Technician
ConocoPhillips Company
Farmington, NM
Office: 505-599-3458
Cell: 505-320-9056
Pager: 505-564-5666
Email: monica.rodahl@conocophillips.com

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

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	ConocoPhillips Company	Contact	Monica D. Rodahl
Address	5525 Hwy. 64, Farmington, NM 87401	Telephone No.	505-599-3458
Facility Name	Kate Standage #1	Facility Type	Gas well

API #30-045-09648

Surface Owner	Mineral Owner	Lease No.
Fee	Fee	Fee

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	12	T30N	R12W	1470	South	1525	East	San Juan

NATURE OF RELEASE

Type of Release: Condensate	Volume of Release: Estimated 5 BBL	Volume Recovered: none
Source of Release: Leak in 2" drain valve on condensate tank	Date and Hour of Occurrence: 6/18/2003	Date and Hour of Discovery: 6/18/2003 – 1300 hr
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Denny Foust – OCD – 6/18/2003 @ 1600 hr – via email	
By Whom? Monica D. Rodahl	Date and Hour: 6/18/2003 – 1600 hr	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* The 2" drain valve (plug type) on the condensate tank was leaking. It was swedged to a 3" line that was only connected hand-tight, resulting in the spill of an estimated 5 BBL. Well was shut in and valve and swedge were repaired.

Describe Area Affected and Cleanup Action Taken.*
All spilled liquids remained within the bermed area. The spill resulted in an affected area of 9'x7'x2' with more area suspected to be affected under the tank (investigation pending). Remediation will commence the morning of 6/19/03, with a final report to follow.

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: *Original signed by Monica D. Rodahl*	OIL CONSERVATION DIVISION
Printed Name: Monica D. Rodahl	Approved by District Supervisor:
Title: Safety, Health, Environmental, & Regulatory Technician	Approval Date: / Expiration Date:
Date: 6/18/2003 Phone: 505-599-3458	Conditions of Approval: / Attached ☐

* Attach Additional Sheets If Necessary

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

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	ConocoPhillips Company	Contact	Monica D. Rodahl
Address	5525 Hwy. 64, Farmington, NM 87401	Telephone No.	505-599-3458
Facility Name	Scott #1	Facility Type	Gas well API #30-045-13094

Surface Owner Fee	Mineral Owner Fee	Lease No. Fee

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
K	2	T29N	R13W	2220	South	1450	West	San Juan

NATURE OF RELEASE

Type of Release: Condensate	Volume of Release: Estimated 5 BBL	Volume Recovered: none
Source of Release: Underground tank overflowed due to detection system failure	Date and Hour of Occurrence: 6/18/2003	Date and Hour of Discovery: 6/18/2003 – 1130 hr
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Alan & Gail McCulloch – 6/18/03 @ 1330 hr – via phone Denny Foust – OCD – 6/18/2003 @ 1600 hr – via email	
By Whom? Monica D. Rodahl	Date and Hour: 6/18/2003 – 1600 hr	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* A high level / leak detection alarm failed on an underground condensate tank, causing the tank to overflow, resulting in an estimated 5 BBL spill. Lines were shut in and an emergency one-call was placed to excavate stained soils and investigate detection failure.

Describe Area Affected and Cleanup Action Taken.*
The area affected is on the Drake Ranch south of 30th Street in Farmington. The landowner (Gail McCulloch) was promptly notified. Remediation will commence the morning of 6/19/03, with a final report to follow.

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: *Original signed by Monica D. Rodahl*	OIL CONSERVATION DIVISION
Printed Name: Monica D. Rodahl	Approved by District Supervisor:
Title: Safety, Health, Environmental, & Regulatory Technician	Approval Date: / Expiration Date:
Date: 6/18/2003 Phone: 505-599-3458	Conditions of Approval: / Attached ☐

* Attach Additional Sheets If Necessary

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

MEMORANDUM OF MEETING OR CONVERSATION

☑ Telephone ☐ Personal	Time 0922	Date 6/19/03
Originating Party		**Other Parties**
Monica – ConocoPhillips 320-9056 (cell)		Bill Olson – Enviro Spec

Subject

Scott #1 well site spill

Discussion

Well has underground tank for wastes, oil
High level alarm failed
Tank overflowed
Digging out contaminated soil, at 10' hit ground water
Oil on water
Will continue to dig out contaminated soil as practical
then install monitor well when done

Conclusions or Agreements

She will provide me with copy of spill report

Distribution

Signed Bill Olson