Received 8/22/2016

1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico NMOCD Dist 2

Energy Minerals and Natural Resources

Form C-141 Revised August 8, 2011

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

Submit I Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action nAB1614733144 **OPERATOR** ☐ Initial Report Final Report Name of Company: COG Operating LLC Contact: Robert McNeill Address: 600 West Illinois Avenue, Midland TX 79701 Telephone No. 432-683-7443 Facility Name: STATE GQ COM #003H Facility Type: Tank Battery Surface Owner: State Mineral Owner: API No. 30-015-40867 LOCATION OF RELEASE Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line County Α 07 25\$ 25E North East Eddy Latitude 32.1509857 Longitude 104.1195908 NATURE OF RELEASE Type of Release: Volume of Release: Volume Recovered: Oil 8bbls of oil 7bbls of oil Source of Release: Date and Hour of Occurrence: Date and Hour of Discovery: Flowline 05-21-2016 12:00 am 05-21-2016 12:00 am Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☒ No ☒ Not Required By Whom? Date and Hour: Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Ployline failed. Cut out the bad section and refused the line. Describe Area Affected and Cleanup Action Taken.* This release occurred within the containment. All free fluid has been recovered. The containment has been cleaned and the impacted gravel has been removed. Fresh gravel has been placed inside the containment. 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. OIL CONSERVATION DIVISION Signature: Printed Name: Approved by Environmental Specialist: MBratcher Robert Grubbs Jr. Title: Approval Date: 8/23/16 Senior Environmental Coordinator Expiration Date: N/A Conditions of Approval: N/A E-mail Address: rgrubbs@concho.com Attached FINAL REPORT

Date: August 22, 2016 Phone: * Attach Additional Sheets If Necessary

432-683-7443

2RP-3711