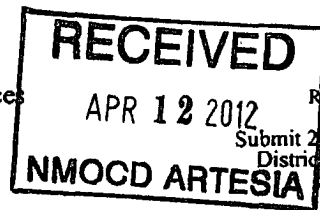


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

nMLB/121632350

OPERATOR

☒ Initial Report ☒ Final Report

Name of Company	COG OPERATING LLC 229/37	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Loco Hills 34-3 SWD	Facility Type	SWD

Surface Owner	Federal	Mineral Owner		Lease No. (API#)	30-015-37270
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LOCATION OF RELEASE

Unit Letter	J	Section	34	Township	17S	Range	30E	Feet from the		North/South Line		Feet from the		East/West Line		County	Eddy
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Latitude 32 52.432 Longitude 104 23.206

NATURE OF RELEASE

Type of Release	Oil / Produced water	Volume of Release	10bbls oil 65bbls produced water	Volume Recovered	9bbls oil 64bbls produced water
Source of Release	Auto valve	Date and Hour of Occurrence	03/24/2012	Date and Hour of Discovery	03/24/2012 4:00 p.m.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bratcher-OCD		
By Whom?	Josh Russo	Date and Hour	03/26/2012 11:18 a.m.		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Auto valve did not close properly allowing fluid to pass through. The auto valve has been replaced.

Describe Area Affected and Cleanup Action Taken.*

Initially roughly 75bbls were released from the auto valve and we were able to recover 73bbls with a vacuum truck. The entire release was contained inside the lined facility. All contaminated gravel has been removed and new gravel has been added as necessary. The liner has been washed. The facility has been returned to its prior condition.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC D 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 NMOC D 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, NMOC D 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:	Josh Russo	Signed By:	
Title:	HSE Coordinator	Approved by District Supervisor:	
E-mail Address:	jrusso@conchoresources.com	Approval Date:	APR 25 2012
Date:	04/05/2012	Expiration Date:	N/A
Phone:	432-212-2399	Conditions of Approval:	N/A
		Attached	<input type="checkbox"/>

* Attach Additional Sheets If Necessary

2RP-1108