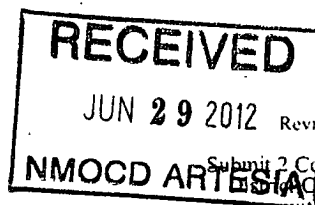


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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** COG OPERATING LLC **Contact** Pat Ellis  
**Address** 550 W. Texas, Suite 100, Midland, TX 79701 **Telephone No.** 432-230-0077  
**Facility Name** Loco Hills Water System **Facility Type** 6" Main Line

**Surface Owner** Federal **Mineral Owner** **Lease No. (API#)** 30-015-30032  
Western Federal #1 - closest well

**LOCATION OF RELEASE**

Unit Letter H	Section 30	Township 17S	Range 29E	Feet from the North/South Line	Feet from the East/West Line	County Eddy
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Latitude 32 48.514 Longitude 104 06.509

**NATURE OF RELEASE**

Type of Release Produced water / Skim oil	Volume of Release 275bbls	Volume Recovered 260bbls
Source of Release 6" Main line	Date and Hour of Occurrence 06/22/2012	Date and Hour of Discovery 06/22/2012 10:30 a.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 Jim Amos-BLM Terry Gregston-BLM	
By Whom? Michelle Mullins	Date and Hour 06/22/2012 4:43 p.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.\*

A weld failed at a 4" poly swedge on the 6" main line causing a release of fluid. The swedge has been repaired and the line has been returned to service.

Describe Area Affected and Cleanup Action Taken.\*

Initially 275bbls were released from the 6" main line and we were able to recover 260bbls with a vacuum truck. The spill area measured roughly 150' x 150' in the pasture east of the Western Federal #1 well location. All free fluid has been recovered and the spill area has been marked with pin flags. Tetra Tech will sample the spill site area to delineate any possible contamination from the release and we will present a remediation work plan to the NMOC D/BLM for approval prior to any significant remediation work

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:		<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Josh Russo		Approved by District Supervisor:	
Title: HSE Coordinator		Approval Date: JUL 11 2012 Expiration Date:	
E-mail Address: jrusso@conchoresources.com		Conditions of Approval:	
Date: 06/29/2012 Phone: 432-212-2399		Attached <input type="checkbox"/>	

\* Attach Additional Sheets If Necessary

Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:**

8/11/12

2RP-1211