District I State of New Mexico 1625 N. French Dr., Hobbs, NM 88240 MAR **01** 2016 Form C-141 Energy Minerals and Natural Resources District II Revised August 8, 2011 811 S. First St., Artesia, NM 88210 Submit Conv to appropriate District Office in RECENCE with 19.15.29 NMAC. District III Oil Conservation Division 1000 Rio Brazos Road, Aztec, NM 87410 1220 South St. Francis Dr. District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 **Release Notification and Corrective Action** NAB 1404240035 **OPERATOR** X Initial Report Final Report Name of Company: COG Operating LLC 9131 Contact: Robert McNeill Address: 600 West Illinois Avenue, Midland TX Telephone No. 432-230-0077 Facility Name: SRO STATE COM #018H Facility Type: Surface Owner: State Mineral Owner: State API No. 30-015-39999 LOCATION OF RELEASE North/South Line East/West Line Unit Letter Section Township Feet from the Feet from the Range County Α 17 26S 28Ē 330" North 330" East Eddy Latitude 32.0488815 Longitude -104.1021042 NATURE OF RELEASE Type of Release: Volume of Release: Volume Recovered: Oil & Produced Water 10 bbls Oil ; 15 bbls PW 8 bbls Oil; 13 bbls PW Source of Release: Date and Hour of Occurrence: Date and Hour of Discovery: Dump valve 2/16/2016 7:00 am 2/16/2016 7:00 am Was Immediate Notice Given? If YES, To Whom? Yes No Not Required Mike Bratcher - NMOCD Date and Hour: Wed 2/17/2016 8:06 AM By Whom? Robert Grubbs Jr. 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.* The release was caused by a hole in a dump valve on a FWKO. Vacuum trucks were dispatched to recover all standing fluid. Describe Area Affected and Cleanup Action Taken.* This release occurred within a lined facility. Concho will have the spill area evaluated for any possible contamination. 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 Rout Short Approved by Environmental Specialist Signature: Printed Name: Robert Grubbs 3216 Approval Date: Title: Senior Environmental Coordinator Expiration Date: " "Costal Bass Attached E-mail Address: rgrubbs@concho.com Conditions of Approval: Remediation per O.C.D. Rules & Guidelines Phone: 432-230-0077 Date: March 1, 2016 SUBMIT REMEDIATION, PROPOSAL NO Attach Additional Sheets If Necessary. 2RD-3575 LATER THAN:

NM OIL CONSERVATION ARTESIA DISTRICT