

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

RECEIVED

SEP 07 2010

Form C-141  
Revised October 10, 2003

Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

30-015-31367

### Release Notification and Corrective Action

1MLB1031445980

#### 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	Mesilla State #1 Tank Battery	Facility Type	Tank Battery

Surface Owner	State	Mineral Owner		Lease No.	B-2103
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#### LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	16	17S	30E					Eddy

Latitude 32 50.102 Longitude 103 58.148

#### NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	40bbls	Volume Recovered	40bbls
Source of Release	Produced water line at heater treater	Date and Hour of Occurrence	08/31/2010	Date and Hour of Discovery	08/31/2010 12:30 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	09/01/2010	8:44 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.\*

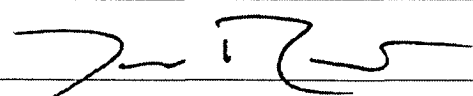
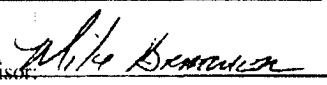
Describe Cause of Problem and Remedial Action Taken.\*

The produced water line at the heater treater came apart due to old glue that would no longer hold it together. The PVC at the heater treater has been replaced with a steel line.

Describe Area Affected and Cleanup Action Taken.\*

Initially 40bbls of produced water was released from the line at the heater treater. All fluid released was contained inside the facility firewall, and we were able to recover all standing fluid. The dimensions of the spill area inside the facility measured 20' x 40'. (The closest well location to the release is the Mesilla State #1, API#30-015-31367, Unit H, 2310' FNL 330' FEL, Sec.16-T17S-R30E). 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 NMOCD 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 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:		OIL CONSERVATION DIVISION	
Printed Name:	Josh Russo	Approved by District Supervisor:	
Title:	HSE Coordinator	Approval Date:	NOV 10 2010
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	
Date:	09/07/2010	Phone:	432-212-2399
		Conditions of Approval:	Attached <input type="checkbox"/>

REMEDIAL per OCD Rules and  
Guidelines. SUBMIT REMEDIATION  
PROPOSAL BY: 12/10/2010

2RP-474

\* Attach Additional Sheets If Necessary