

RECEIVED

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
JUN 18 2010 Revised October 10, 2003

HOBBS 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	Lagos 22 State #1 Tank Battery	Facility Type	Tank Battery
Surface Owner	State	Mineral Owner	Lease No. API# 30-025-37541

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	22	14S	34E					Lea

Latitude 33 05.375 Longitude 103 30.069

WTR 60-60'

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	189bbbls	Volume Recovered	175bbbls
Source of Release	Water Tank	Date and Hour of Occurrence	05/31/2010	Date and Hour of Discovery	05/31/2010 6:30p.m.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Larry Johnson—OCD Geoffrey Leking—OCD		
By Whom?	Josh Russo	Date and Hour	06/01/2010 3:03 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.*

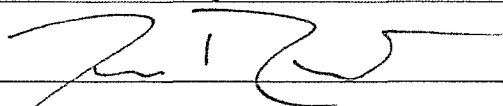
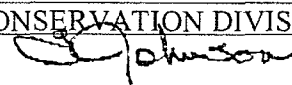
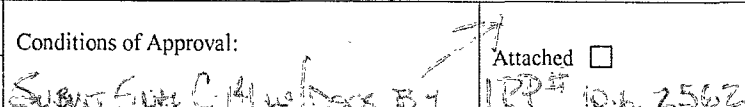
Describe Cause of Problem and Remedial Action Taken.*

The water tank was struck by lightning. The damaged water tank has been removed.

Describe Area Affected and Cleanup Action Taken.*

The Lagos 22 State #1 Tank Battery was struck by lightning which ignited the 500bbl water tank. The water tank released 189bbbls of produced water into the lined dike of the facility. All fluid was successfully contained inside the dike walls. We were able to recover 175bbbls with a vacuum truck. (The closest well location to the tank battery is the Lagos 22 State #1, Unit N, Sec. 22-T14S-R34E, 660 FSL 1980 FWL, Lea County, NM, API# 30-025-37541, 33.08465 - 103.500896.

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 Environmental Engineer 	
Title:	HSE Coordinator	Approval Date:	6-17-10
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	8-16-10
Date:	06/02/2010	Phone:	432-212-2399
		Conditions of Approval:	Attached <input type="checkbox"/> 

* Attach Additional Sheets If Necessary

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