

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

AUG 31 2010

Form C-141
Revised October 10, 2003

NMOC DISTRICT II
Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

30-015-33100

Release Notification and Corrective Action

nMLB1031448887

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	COG OPERATING LLC 229137	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Red Lake Sand Unit South Tank Battery	Facility Type	Tank Battery

Surface Owner	State	Mineral Owner		Lease No.	647
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Red Lake Sand Unit #38

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	29	17S	28E					Eddy

Latitude 32 48.663 Longitude 104 12.165

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	50bbls	Volume Recovered	0bbls
Source of Release	2" high pressure hose on water pump	Date and Hour of Occurrence	08/30/2010	Date and Hour of Discovery	08/30/2010 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	08/30/2010 4:49 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.*

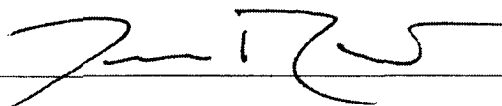
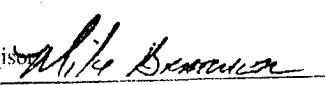
Describe Cause of Problem and Remedial Action Taken.*

The 2" high pressure hose on the discharge of the water pump failed causing the release. The defective hose has been replaced with a plastic coated steel line. The pump is back into working order.

Describe Area Affected and Cleanup Action Taken.*

Initially 50bbls of produced water was released from the discharge hose of the water pump and we were unable to recover any fluid from the spill. The fluid flowed north across the location to a nearby lease road, then west for 30 yards. The fluid then ran 100 yards north down a pipeline ROW, the width of the path the fluid traveled stayed under 3' wide. (The closest well location to the release is the Red Lake Sand Unit #38 injection well, Unit D, Sec.29-T17S-R28E, 330' FNL 330' FWL, 32.81138 - 104.20546, API# 30-015-33100). 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 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 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 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 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	Signed By: 
Title: HSE Coordinator	Approval Date: NOV 10 2010	Expiration Date:
E-mail Address: jrusso@conchoresources.com	Conditions of Approval	Attached <input type="checkbox"/>
Date: 08/31/2010 Phone: 432-212-2399	REMEDATION per OCD Rules and Guidelines. SUBMIT REMEDIATION PROPOSAL BY: 12/10/2010	

* Attach Additional Sheets If Necessary

2RP-475