

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

By JKeyes at 10:34 am, Mar 14, 2016

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

| | | |
|---|----------------------------|----------------------|
| Name of Company: COG Operating LLC | Contact: Robert McNeill | |
| Address: 600 West Illinois Avenue, Midland TX 79701 | Telephone No. 432-230-0077 | |
| Facility Name: LUSK DEEP UNIT A #023H | Facility Type: Battery | |
| Surface Owner: | Mineral Owner: Federal | API No. 30-025-40260 |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| P | 19 | 19S | 32E | 330' | South | 380' | East | Lea |

Latitude 32.6396141 Longitude -103.7981644

NATURE OF RELEASE

| | | |
|--|--|---|
| Type of Release: Produced Water | Volume of Release: 10 bbls | Volume Recovered: 8 bbls |
| Source of Release: Flowline | Date and Hour of Occurrence: 3/1/2016 2:00 pm | Date and Hour of Discovery: 3/1/2016 2:00 pm |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | |
| By Whom? | Date and Hour: | |
| 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.*

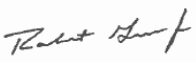

Describe Cause of Problem and Remedial Action Taken.*

This release was caused by a ruptured poly flowline. A vacuum truck was dispatched to recover standing fluid.

Describe Area Affected and Cleanup Action Taken.*

This release occurred in the pasture along the lease road. Concho will have the spill site sampled 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: Robert Grubbs Jr. | | Approved by Environmental Specialist:  | |
| Title: Senior Environmental Coordinator | | Approval Date: 03/14/2016 | Expiration Date: 05/14/2016 |
| E-mail Address: rgrubbs@concho.com | | Conditions of Approval: | |
| Date: March 11, 2016 Phone: 432-683-7443 | | Discrete site samples only. Delineate and remediate per NMOCD guidelines. Ensure BLM concurrence/approval. | |
| | | Attached <input type="checkbox"/> 1RP 4214 | |

* Attach Additional Sheets If Necessary

concurrency/approval.

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