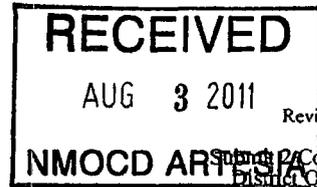


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505



Form C-141  
Revised October 10, 2003  
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

**Release Notification and Corrective Action**

*nk MW 10355535474*

**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   | Firecracker State #2 Tank Battery          | Facility Type | Tank Battery                  |
| Surface Owner   | State                                      | Mineral Owner | Lease No. (API#) 30-015-37506 |

**LOCATION OF RELEASE**

|             |         |          |       |               |                  |               |                |        |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| O           | 14      | 17S      | 28E   |               |                  |               |                | EDDY   |

Latitude 32 49.862 Longitude 104 08.603

**NATURE OF RELEASE**

|  |   |   |                   |                            |                                   |
|--|---|---|-------------------|----------------------------|-----------------------------------|
| Type of Release  | Produced water  | Volume of Release   | 175bbls           | Volume Recovered           | 175bbls                           |
| Source of Release  | Water tank  | Date and Hour of Occurrence   | 08/01/2010        | Date and Hour of Discovery | 08/01/2010 9:30 a.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   | 08/02/2010        | 1:46 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 cause of the problem was due to both a generator failure and an alarm system failure. Both the generator and the alarm system have been repaired and put back into service.  |   |   |                   |                            |                                   |
| Describe Area Affected and Cleanup Action Taken.*  |   |   |                   |                            |                                   |
| Initially 175bbls of produced water was released from the water tank and completely contained inside the dike walls of the lined tank battery. We were able to recover all of the free fluid. All contaminated gravel has been removed and clean gravel has been added as necessary. (The closest well location is the Firecracker State #2, Unit O, Sec.14-T17S-R28E, 990' FSL 1650' FEL, Eddy County, NM, API# 30-015-37506). The location has been returned to its prior condition.   |   |   |                   |                            |                                   |
| 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:   |   |   |                   |                            |                                   |
| Printed Name:  | Josh Russo  | OIL CONSERVATION DIVISION<br>Signed By <i>Mike Bratcher</i><br>Approved by District Supervisor: |                   |                            |                                   |
| Title:   | HSE Coordinator   | Approval Date:  | AUG 17 2011       | Expiration Date: NA        |                                   |
| E-mail Address:  | jrusso@conchoresources.com  | Conditions of Approval: NA<br><i>Final</i>  |                   |                            | Attached <input type="checkbox"/> |
| Date:  | 08/03/2011  | Phone:  | 432-212-2399      |                            |                                   |

\* Attach Additional Sheets If Necessary

*JRP-506*

**Bratcher, Mike, EMNRD**

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**From:** Joshua Russo [jrusso@concho.com]  
**Sent:** Wednesday, August 03, 2011 2:00 PM  
**To:** Bratcher, Mike, EMNRD  
**Subject:** C-141 Final Report - Firecracker State #2 TB  
**Attachments:** FIRECRACKER STATE #2 TANK BATTERY -- DATE OF RELEASE -- 07-.pdf

Mr. Bratcher,

Please see attached the C-141 Final Report for the Firecracker State #2 TB. This tank battery is lined with 40mil plastic.

Thank you,

**Joshua Russo**

HSE Coordinator  
550 W. Texas Ave, Suite 100  
Midland, Texas 79701  
Phone: (432) 683-7443  
Cell: (432) 212-2399  
[jrusso@conchoresources.com](mailto:jrusso@conchoresources.com)



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