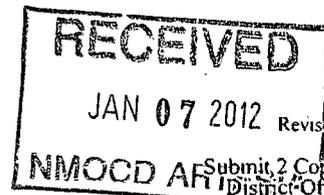


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

NMLB 120328453 OPERATOR Initial Report Final Report

Name of Company	COG OPERATING LLC <i>229137</i>	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Loco Hills 35 #2	Facility Type	SWD Facility

Surface Owner	Federal	Mineral Owner		Lease No. (API#)	30-015-37268
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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
N	35	17S	30E					Eddy

Latitude 32.78589 Longitude 103.94363

NATURE OF RELEASE

Type of Release	12/24/2011 <i>Produced Water</i>	Volume of Release	40bbls	Volume Recovered	39bbls
Source of Release	Faulty 1/4" at H pump	Date and Hour of Occurrence	12/24/2011	Date and Hour of Discovery	12/24/2011 1:00 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	12/27/2011 9:32 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.*
A faulty 1/4" plug at the H pump caused the release. The plug has been replaced.

Describe Area Affected and Cleanup Action Taken.*
Initially 40bbls were released from the faulty plug. We were able to recover 39bbls of fluid with a vacuum truck. This facility is lined with a 40 mil plastic liner. The facility 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:		OIL CONSERVATION DIVISION	
Printed Name:	Josh Russo	Approved by	Signed By <i>Mike Bratcher</i> District Supervisor
Title:	HSE Coordinator	Approval Date:	FEB 02 2012 Expiration Date: <i>N/A</i>
E-mail Address:	jrusso@conchoresources.com	Conditions of Approval:	<i>N/A</i> Attached <input type="checkbox"/>
Date:	01/05/2012	Phone:	432-212-2399

* Attach Additional Sheets If Necessary

2RA-992

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@concho.com]
Sent: Saturday, January 07, 2012 10:30 AM
To: Bratcher, Mike, EMNRD
Subject: C-141 Initial/Final Report - Loco Hills SWD 35 #2
Attachments: LOCO HILLS SWD 35 #2 -- DATE OF RELEASE -- 12-24-2011.pdf

Mr. Bratcher,

Please see attached a C-141 Initial/Final Report for a release that occurred at the Loco Hills SWD 35 #2. This facility is liner with a 40mil liner.

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



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Thank you

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Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@concho.com]
Sent: Tuesday, December 27, 2011 8:32 AM
To: Bratcher, Mike, EMNRD
Subject: Spill Notification - Loco Hills SWD 35 #2

Mr. Bratcher,

On 12-24-11 at 1:00pm, a ¼ plug came out of the H-pump discharge on the Loco Hills 35 #2 SWD. An estimated 40bbbls of produced water was released. This facility is lined with a 40 mil plastic liner. The ¼" plug has been replaced and the SWD returned to service. We will get more details and follow up with a C-141 Report.

GPS coordinates, legal description, and driving directions below.

N 32* 47.153 W 103* 56.618

Loco Hills SWD 35 #2
840' FSL & 2310' FWL
Unit "N", Sec. 35-T17S-R30E
Eddy Co. NM, LSE #NMNM-0558580
API #30-015-37268

East of Loco Hills To CR 222, T/S 2.4 miles, T/W and follow main road 3.8 miles to "Tee", T/N .7 miles to SWD battery.

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



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