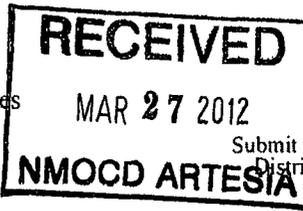


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 3 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

nMUB1209756587

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	Mesilla State #2	Facility Type	Flowline

Surface Owner	State	Mineral Owner	Lease No. (API#) 30-015-31366
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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
H	16	17S	30E					Eddy

Latitude 32 50.104 Longitude 103 58.159

NATURE OF RELEASE

Type of Release	Oil and Produced water	Volume of Release	14bbls PW 8bbls Oil	Volume Recovered	13bbls PW 6bbls Oil
Source of Release	Steel flowline	Date and Hour of Occurrence	03/21/2012	Date and Hour of Discovery	03/21/2012 7:00 a.m.
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" 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.*
The Mesilla State #2 steel flowline developed a hole in it releasing produced fluids. The defective joint has been replaced with a new one and the flowline has been returned to service.

Describe Area Affected and Cleanup Action Taken.*
Initially 22bbls of produced fluids were released from the ruptured steel flowline and we were able to recover 19bbls of fluid with a vacuum truck. The spill area runs parallel to a lease road and measured an area of roughly 5' x 50' directly off the road in the pasture. Tetra Tech will sample the spill site area to delineate any possible contamination from the release and we will present a 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:	Josh Russo	Approved by	Signed By
Title:	HSE Coordinator	Approval Date:	APR 06 2012
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	
Date:	03/27/2012	Phone:	432-212-2399

Conditions of Approval:
Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:**
5/6/2012

Attached

214-1088

* Attach Additional Sheets If Necessary

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@concho.com]
Sent: Tuesday, March 27, 2012 12:27 PM
To: Bratcher, Mike, EMNRD
Cc: Tavarez, Ike; Dorey, Kim; Franklin, Tom K.
Subject: C-141 Initial Report - Mesilla State #2 flowline
Attachments: MESILLA STATE #2 FLOWLINE -- DATE OF RELEASE -- 03-21-2012.pdf

Mr. Bratcher,

Please see attached a C-141 Initial Report for a release that occurred on 03/21/2012. We are scheduling to have soils samples taken in the near future.

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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