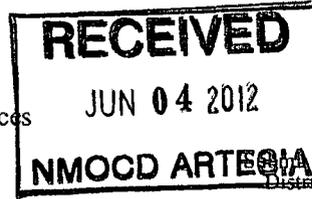


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

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

Release Notification and Corrective Action

nMLB 1216455608 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	6" transition on water line (Sand Tank 32 State Com #2)	Facility Type	Water line

Surface Owner	State	Mineral Owner	Lease No. (API#) 30-015-29513 Closest well location
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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
J	32	17S	30E					Eddy

Latitude 32 47.286 Longitude 103 59.463

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	100bbbls	Volume Recovered	75bbbls
Source of Release	Transition in 6" poly line	Date and Hour of Occurrence	05/16/2012	Date and Hour of Discovery	05/16/2012 7:00 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?	Michelle Mullins	Date and Hour	05/16/2012 8:17 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 *

A ruptured transition in the 6" water transfer line caused the release. We have replaced the transition and returned the line into service.

Describe Area Affected and Cleanup Action Taken.*

Initially 100bbbls were released from the ruptured water line and we were able to recover 75bbbls with vacuum trucks. 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 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 District Supervisor:	
Title:	HSE Coordinator	Approval Date:	JUN 12 2012
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	
Date:	06/04/2012	Phone:	432-212-2399
		Conditions of Approval:	Attached <input type="checkbox"/>

Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 7/12/2012**

2RP-1164

* Attach Additional Sheets If Necessary

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@concho.com]
Sent: Monday, June 04, 2012 2:15 PM
To: Bratcher, Mike, EMNRD
Cc: Tavarez, Ike; Dorey, Kim; Franklin, Tom K.
Subject: C-141 Initial Report - 6" transition on water line (Sand Tank 32 State Com #2)
Attachments: 6 INCH TRANSITION ON WATER LINE (SAND TANK 32 STATE COM #2) -- DATE OF RELEASE -- 05-16-2012.pdf

Mr. Bratcher,

Please see attached a C-141 Initial Report for a release we had at a 6" transition on water line (Sand Tank 32 State Com #2). We plan to assess the spill area timely.

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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Bratcher, Mike, EMNRD

From: Michelle Mullins [MMullins@concho.com]
Sent: Wednesday, May 16, 2012 7:17 PM
To: Bratcher, Mike, EMNRD
Cc: Joshua Russo
Subject: Sand Tank 32 State Com #2-Immediate Notification

Mr. Bratcher:

On 5-16-12 at approximately 7:00 am, a produced water release was discovered at the above-referenced battery. A transition on the 6" poly line failed, allowing the release. An estimated 100 bbls of produced water was released with 75 bbls being recovered. The transition has been replaced and the water line 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 47.286 W 103 59.463

Sand Tank 32 State Com #2
Section 32
T17S, ~~R32E~~ R 30E
1650' FSL, 1650' FEL
Eddy Co. NM
B-4108-58

From Highway 82, turn south on CR 217 for 2.8 miles. Turn east on CR 216 for .2 miles. Turn north on second lease road. Travel 1.2 miles, turn left at "Y", .7 miles into location.

Thank you,

Michelle Mullins
HSE Field Tech
2407 Pecos Avenue
P.O. Box 1630
Artesia, NM 88211-1630
Phone: (575)746-2010
Cell: (432) 934-1052
mmullins@conchoresources.com



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