



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

nJMW1219431677

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 | Northwest Central Tank Battery | Facility Type | Tank Battery |

| | | | | | |
|---------------|---------|---------------|--|------------------|------------------------------------|
| Surface Owner | Federal | Mineral Owner | | Lease No. (API#) | 30-015-20972 |
| | | | | | McIntyre Federal #6 - Closest well |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| N | 17 | 17S | 30E | | | | | Eddy |

Latitude 32 49.817 Longitude 103 59.765

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|---|----------------------------|--------------------------------------|
| Type of Release | Oil and Produced water | Volume of Release | 700bbls oil 100bbls produced water | Volume Recovered | 650bbls oil 50bbls produced water |
| Source of Release | 10,000bbl open top tank | Date and Hour of Occurrence | 06/25 2012 | Date and Hour of Discovery | 06/25/2012 9:52 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 Jim Amos-BLM Terry Gregston-BLM | | |
| By Whom? | Michelle Mullins | Date and Hour | 06/26/2012 10:02 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.*
10,000 bbl open top tank at the Northwest Central Tank Battery overflowed due to water being diverted to open top instead of tank battery. Along with an electrical error on alarm system. The valve has been changed to divert water to the correct Northwest Central tanks and the electrical issue has been corrected.

Describe Area Affected and Cleanup Action Taken.*
Initially 800bbls of fluid were released from the open top water tank and we were able to recover 700bbls with a vacuum truck. The entire spill was contained on the pad location surrounding the tank and measured an area of roughly 125' x 200'. 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 / BLM 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: | Signed By |
| Title: | HSE Coordinator | Approval Date: | JUL 12 2012 |
| E-mail Address: | jrusso@conchoresources.com | Expiration Date: | |
| Date: | 06/29/2012 | Phone: | 432-212-2399 |
| | | Conditions of Approval: | Attached <input type="checkbox"/> |

Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:**

8/12/12

2RP-1212

* Attach Additional Sheets If Necessary

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@concho.com]
Sent: Friday, June 29, 2012 9:55 AM
To: Bratcher, Mike, EMNRD; Jim Amos office (jamos@blm.gov); Gregston, Terry G
Cc: Tavarez, Ike; Dorey, Kim; Franklin, Tom K.
Subject: C-141 Initial Report - Northwest Central Tank Battery Open Top Tank
Attachments: NORTHWEST CENTRAL TANK BATTERY OPEN TOP -- DATE OF RELEASE -- 06-25-2012.pdf

Please see attached the C-141 Initial Report for a recent spill at the Northwest Central Tank 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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Bratcher, Mike, EMNRD

From: Michelle Mullins [MMullins@concho.com]
Sent: Wednesday, June 27, 2012 8:27 AM
To: Bratcher, Mike, EMNRD
Cc: Joshua Russo
Subject: Jenkins Water flood overflow tank-Immediate Notification

Mr. Bratcher:

At approximately 9:30 a.m. on 06/26/2012, the overflow tank on the Jenkins Water flood was discovered running over. Approximately 70 bbls of produced water was released. A vacuum truck has recovered the free fluid. We will obtain more details and submit a C-141. GPS coordinates, legal description, and driving directions below.

N32* 49.817 W103* 59.765

McIntyre DK Federal #6 (closest well)

9900' FSL & 2310' FWL

Sec. 17 T17S R30E

Eddy County, NM 86025

From Highway 82, turn north on CR 217. Travel approximately .7 miles, turn west. Follow road into battery on right.

Thanks.

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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