

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

RECEIVED
JUL 05 2012
NMOCD ARTESIA

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

nJMW1219453469 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	Choctaw 3" Water Line	Facility Type	3" Water Line

Surface Owner	State	Mineral Owner	Lease No. (API#) 30-015-36351
			Closest well location

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	16	17S	31E					Eddy

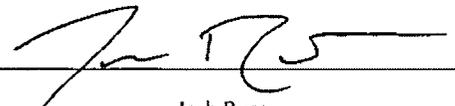
Latitude 32 49.742 Longitude 103 52.417

NATURE OF RELEASE

Type of Release	Produced water / Skim oil	Volume of Release	80bbbs	Volume Recovered	75bbbs
Source of Release	3" poly water line	Date and Hour of Occurrence	06/29/2012	Date and Hour of Discovery	06.29.2012 7:00 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?	Michelle Mullins	Date and Hour	06/30/2012 6:50 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 new 3" poly water line was accidentally left un-fused to the existing water line while replacing poly that had been burned by a fire earlier in the month. The un-fused poly line released fluid onto the previously burned area in the pasture north of the Yucca/Willow Tank Battery We have fused the poly lines together and returned to service.
Describe Area Affected and Cleanup Action Taken.*
Initially 80bbbs were released from the 3" poly line and we were able to recover 75bbbs with a vacuum truck. The release occurred north of the Yucca/Willow Tank Battery in the pasture measuring approximately 3' x 100'. All free fluid has been recovered. BBC International 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:	Signed By <i>Mike Bratcher</i>
Title:	HSE Coordinator	Approval Date	JUL 12 2012
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	
Date:	07/05/2012	Phone:	432-212-2399
		Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

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

8/12/12

2RP-1220

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@concho.com]
Sent: Thursday, July 05, 2012 1:56 PM
To: Bratcher, Mike, EMNRD
Cc: Cliff P. Brunson
Subject: C-141 Initial Report-Choctaw State 3" Water Line
Attachments: CHOCTAW 3 INCH WATER LINE -- DATE OF RELEASE -- 06-29-2012.pdf

Mr. Bratcher,

Please see attached a C-141 Initial Report for a release that occurred on 06/29/2012. We plan to have BBC International 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



CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.

Bratcher, Mike, EMNRD

From: Michelle Mullins [MMullins@concho.com]
Sent: Saturday, June 30, 2012 5:50 AM
To: Bratcher, Mike, EMNRD
Cc: Joshua Russo
Subject: Choctaw Water Line-Immediate Notification

Mr. Bratcher,

At approximately 7:00 p.m., 6-29-12, an unfused 3" poly flow line was discovered. Approximately 80 bbls of produced water was released. All free fluid has been recovered by a vacuum truck. The line has been fused and returned to service. This is the same area where a fire was discovered on 6-17-12. We will obtain more details as they become available and submit a C-141. Legal description and drive to directions are listed below:

N 32* 49.742 W 103* 52.417

Willow State #9 (closest well)
740' FSL & 2350' FEL
Unit O. Sec. 16 T17S, R 31E
Eddy Co, NM
API # 30-015-36351

Directions

From Highway 82, turn north on CR 223 (Sweet Gum Road). Travel approximately 1.5 miles. Affected area is on the east.

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



CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.

CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.