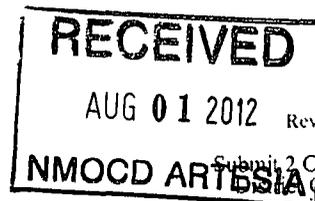


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

JMW 1222229678 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	Dryland Shiner Federal Tank Battery	Facility Type	Tank Battery
Surface Owner	Federal	Mineral Owner	
		Lease No. (API#) 30-015-32815	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
1	3	21S	25E					Eddy

Latitude 32.51975 Longitude 104.37667

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	500bbbls	Volume Recovered	480bbbls
Source of Release	Oil tanks	Date and Hour of Occurrence	07/18/2012	Date and Hour of Discovery	07/18/2012 12:30 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 Jim Amos-BLM Terry Gregston-BLM			
By Whom?	Michelle Mullins	Date and Hour	07/19/2012 2:55 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.*
The water dumps on the FWKO failed, sending the water to the oil tanks. The oil tanks overflowed causing the release of fluid. The FWKO has been removed from service while the water dumps are being repaired.

Describe Area Affected and Cleanup Action Taken *
Initially 500bbbls of produced water were released from the oil tanks and we were able to recover 480bbbls with vacuum trucks. All free fluid has been recovered. The spill area was contained on the pad location of the facility. 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:	AUG 09 2012 Expiration Date:
E-mail Address	jrusso@conchoresources.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date:	07/31/2012	Phone:	432-212-2399

* Attach Additional Sheets If Necessary

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

9/9/12

2RP-1246

Bratcher, Mike, EMNRD

From: Joshua Russo <jrusso@concho.com>
Sent: Wednesday, August 01, 2012 2:34 PM
To: Bratcher, Mike, EMNRD; Jim Amos office (jamos@blm.gov); Gregston, Terry G
Cc: Tavarez, Ike; Grubbs, Robert; Dorey, Kim; Franklin, Tom K.
Subject: C-141 Initial Report - Dryland Shiner Fed TB.
Attachments: DRYLAND SHINER FEDERAL TANK BATTERY -- DATE OF RELEASE -- 07-18-2012.pdf

Please see attached the C-141 Initial Report for a release that occurred on 07/18/2012 at our Dryland Shiner Fed TB. 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



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.