

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1009 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

OPERATOR

Initial Report  Final Report

Name of Company	COG OPERATING LLC	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Prohibition Federal Unit #2 SWD	Facility Type	SWD

Surface Owner	Federal	Mineral Owner		Lease No. (API#)	30-025-31716
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LOCATION OF RELEASE

Unit Letter	Section	Township	Rangc	Feet from the	North/South Line	Feet from the	East/West Line	County
K	11	22S	32E	1980	SOUTH	2080	WEST	Lea

Latitude 32.404438 Longitude 103.6473011

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	20bbls	Volume Recovered	10bbls
Source of Release	Triplex Pump	Date and Hour of Occurrence	07/17/2010	Date and Hour of Discovery	07/17/2010 10:00 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.\*

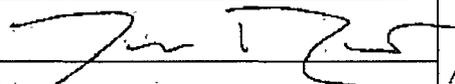
Describe Cause of Problem and Remedial Action Taken.\*

Union on triplex threads wore out and failed. All of the fittings on the triplex were replaced.

Describe Area Affected and Cleanup Action Taken.\*

Initially 20bbls of produced water was released from the triplex pump and we were able to recover 10bbls. The dimensions of the spill site measured an area of 1' x 100', originating around the pump and following the path of a lease road. The chloride concentration of the produced water in this area is 135,000 mg/l. 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 BLM/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 Environmental Specialist	
Printed Name:	Josh Russo	Approved by District Supervisor:	
Title:	HSE Coordinator	Approval Date: 07/17/10	Expiration Date: 9/17/10
E-mail Address:	jrusso@conchorsources.com	Conditions of Approval: SUBMIT FINAL	Attached <input type="checkbox"/>
Date:	07/17/2010	Phone: 432-212-2399	BY 9/17/10 IRP-10-12-2856

\* Attach Additional Sheets If Necessary