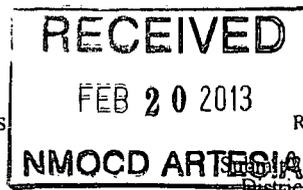


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
S. St. Francis Dr., Santa Fe, NM 87505

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

nJMW1305636263 OPERATOR Initial Report Final Report

Name of Company	COG OPERATING LLC <i>229131</i>	Contact	Pat Ellis
Address	600 West Illinois Avenue, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	SRO STATE UNIT #10H	Facility Type	TANK BATTERY

Surface Owner	STATE	Mineral Owner		Lease No. (API#)	30-015-38072
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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
D	3	26S	28E					EDDY

Latitude 32.0774 Longitude 104.0527

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	200bbls	Volume Recovered	180bbls
Source of Release	Discharge hose	Date and Hour of Occurrence	02/08/2013	Date and Hour of Discovery	02/08/2013 5:30am
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	02/09/2013 8:56am		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Discharge hose came loose causing the release of the fluid. The hose has been replaced with metal piping to prevent a recurrence.

Describe Area Affected and Cleanup Action Taken.*

Initially 200bbls of produced fluid was released. We were able to recover 180bbls of fluid with vacuum trucks. All free fluid has been recovered. Tetra Tech will sample the spill site area in the pasture to delineate any possible contamination from the release and we will present a 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
Title:	Senior Environmental Coordinator	Approval Date:	FEB 25 2013
E-mail Address:	jrusso@concho.com	Expiration Date:	
Date: 02-19-2013	Phone: 432-212-2399	Conditions of Approval:	Attached <input type="checkbox"/>

Remediation per OCD Rule & Guidelines. **SUBMIT REMEDIATION PROPOSAL NO LATER THAN: March 25, 2013**

2RP-1565

Attach Additional Sheets If Necessary

Bratcher, Mike, EMNRD

From: Joshua Russo <jrusso@concho.com>
Sent: Wednesday, February 20, 2013 9:00 AM
To: Bratcher, Mike, EMNRD
Cc: Ike Tavarez (ike.tavarez@tetrattech.com); Tom Franklin (tom.k.franklin@tetrattech.com); Robert Grubbs
Subject: C-141 Initial Report - SRO State Unit #10H Tank Battery
Attachments: SRO STATE UNIT #10H TANK BATTERY -- DATE OF RELEASE -- 02-08-2013.pdf

Mr. Bratcher,

Please see attached a C-141 Initial Report for a release that occurred at our SRO State Unit #10H Tank Battery in Eddy County New Mexico. We plan to assess the spill area in the pasture timely.

Thank you,

Joshua Russo

Sr. Environmental Coordinator

432.683.7443 (main)

432.685.4381 (direct)

432.212.2399 (cell)

jrusso@concho.com

Mailing Address:

One Concho Center

600 W. Illinois Avenue

Midland, Texas 79701



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Bratcher, Mike, EMNRD

From: Michelle Mullins <MMullins@concho.com>
Sent: Saturday, February 09, 2013 7:56 AM
To: Bratcher, Mike, EMNRD
Cc: Joshua Russo; Robert Grubbs
Subject: SRO State Unit #10H

Mr. Bratcher:

At approximately 5:00 a.m. on 02/08/2013, a produced fluid release was discovered at the above-referenced facility. An estimated 200 bbls of produced fluid was released. The cause of the release is currently under investigation. We will follow up within 15 days with a C-141 Report.

SRO State Unit #10H
Unit D Sec 3 T26S R28E
660' FNL & 330' FWL
Eddy County, NM
API 30-015-38072

Off Highway 285, turn west at MM 5 (White City Road). Take first road to the north after cattle guard. Battery is on the east.

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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