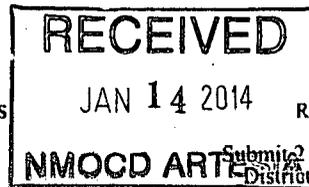


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

njmw1402340623 OPERATOR Initial Report Final Report

| | | | |
|-----------------|---|---------------|-------------------------------|
| Name of Company | COG OPERATING LLC <i>229137</i> | Contact | Robert McNeill |
| Address | 600 West Illinois Avenue, Midland, TX 79701 | Telephone No. | 432-230-0077 |
| Facility Name | Grave Digger State Com #003H | Facility Type | Tank Battery |
| Surface Owner | State | Mineral Owner | Lease No. (API#) 30-015-39151 |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| B | 2 | 20S | 25E | | | | | Eddy |

Latitude 32 36.542 Longitude 104 27.177

NATURE OF RELEASE

| | | | | | |
|--|--|---|------------|----------------------------|--------------------|
| Type of Release | Produced water | Volume of Release | 10bbls | Volume Recovered | 10bbls |
| Source of Release | Drain line on heater treater | Date and Hour of Occurrence | 01-09-2014 | Date and Hour of Discovery | 01-09-2014 09:30am |
| 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.* | | | | | |
| A hole developed in the bottom of the drain line on a heater treater. Drain heater treater and reroute the drain line while the heater treater is being repaired. | | | | | |
| Describe Area Affected and Cleanup Action Taken.* | | | | | |
| Initially 10bbls of produced water were released due to a hole that developed in the bottom of the drain line on the heater treater. We were able to recover 10bbls of produced water with a vacuum truck. The spill was contained inside the Falcon lined facility. All free fluid has been recovered. Any contaminated gravel has been removed, the liner has been steam cleaned and we has replaced with fresh gravel as necessary. This location has been returned to its prior condition. | | | | | |
| 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: <i>Robert Grubbs</i> | | OIL CONSERVATION DIVISION | |
| Printed Name: Robert Grubbs | | Approved by District Supervisor: | Signed By: <i>Mike Brannon</i> |
| Title: Senior Environmental Coordinator | | Approval Date: JAN 23 2014 | Expiration Date: |
| E-mail Address: rgrubbs@concho.com | | Conditions of Approval: | |
| Date: 01-14-2014 Phone: 432-661-6601 | | Attached <input type="checkbox"/> | |

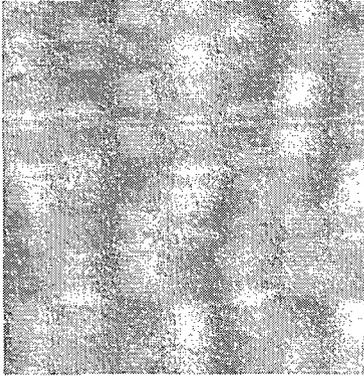
* Attach Additional Sheets If Necessary

Accepted for record
NMOCD

2RP-2156

Bratcher, Mike, EMNRD

From: Robert Grubbs <RGrubbs@concho.com>
Sent: Tuesday, January 14, 2014 8:47 AM
To: Bratcher, Mike, EMNRD
Cc: Robert McNeill; Production Mail
Subject: C-141 Initial/Final Report - Grave Digger State Com #003H
Attachments: 01-09-2014 Grave Digger State Com #003H Inial - Final.pdf



Mr. Bratcher,

Please see attached the C-141 Initial/Final Report for a release that occurred at our Grave Digger State Com #003H (TB) on 01-09-2014 in Eddy County New Mexico. This is a lined facility.

Thank you,

*Robert Grubbs Jr.
Sr. Environmental Coordinator
432.683.7443 (main)
432.818.2369 (direct)
432.661.6601 (cell)
rgrubbs@concho.com
Mailing Address:
One Concho Center
600 W. Illinois Avenue
Midland, Texas 79701*



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