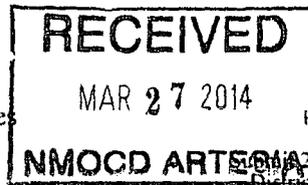


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
100 Rio Brazos Road, Aztec, NM 87410
District IV
120 S. St. Francis Dr., Santa Fe, NM 87505

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

nHMP1409037187

OPERATOR Initial Report Final Report

Name of Company	COG OPERATING LLC 229137	Contact	Robert McNeill
Address	600 West Illinois Avenue, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Loco Hills SWD 35 #001	Facility Type	Tank Battery
Surface Owner State	Mineral Owner	Lease No. (API#) 30-015-31635	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	36	17S	30E					Eddy

Latitude 32.78561 Longitude 103.91967

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	3050bbbls	Volume Recovered	1820bbbls
Source of Release	Main produced water line	Date and Hour of Occurrence	03-14-2014	Date and Hour of Discovery	03-14-2014 11:40am
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bratcher - NMOCD		
By Whom?	Michelle Mullins	Date and Hour	03-15-2014 10:58am		
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 fused 90 failed going into the lined facility. Repaired and replaced the failed 90.

Describe Area Affected and Cleanup Action Taken.*

Initially 3050bbbls of produced water were released. We were able to recover 1820bbbls with vacuum trucks. All free fluids have been recovered Concho will have the spill site sampled 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.

OIL CONSERVATION DIVISION

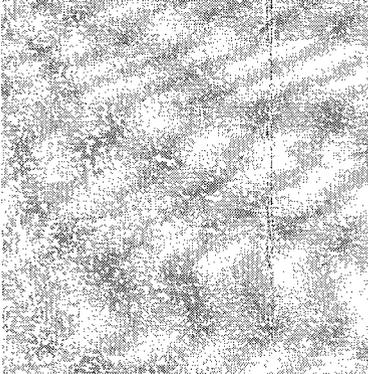
Signature:		Approved by District Supervisor:			
Printed Name:	Robert Grubbs Jr.	Approval Date:	3-31-14	Expiration Date:	NA
Title:	Senior Environmental Coordinator	Conditions of Approval:		Attached <input type="checkbox"/>	
E-mail Address:	rgrubbs@concho.com	Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:			
Date:	03-27-2014	5-1-14			

* Attach Additional Sheets If Necessary

2RP-2235

Bratcher, Mike, EMNRD

From: Robert Grubbs <RGrubbs@concho.com>
Sent: Thursday, March 27, 2014 2:47 PM
To: Bratcher, Mike, EMNRD
Cc: Robert McNeill; Tavarez, Ike; Elliott, Tom (Tom.Elliott@tetrattech.com)
Subject: C-141 Initial Report - Loco Hills SWD 35 #001 (SWD)
Attachments: 03-14-2014 Loco Hills 35 #001 (SWD) Initial.pdf



Mr. Bratcher,

Please see attached the C-141 Initial Report for a release that occurred at our Loco Hills SWD 35 #001 (SWD) on 03-14-2014 in Eddy County New Mexico. We plan to assess the spill area timely.

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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Bratcher, Mike, EMNRD

From: Michelle Mullins <MMullins@concho.com>
Sent: Saturday, March 15, 2014 9:58 AM
To: Amos, James (jamos@blm.gov); Bratcher, Mike, EMNRD
Cc: Robert Grubbs
Subject: Loco Hills SWD #1

Mr. Amos, Mr. Bratcher:

At approximately 11:00 a.m. on 3/14/2014, a produced fluid release was discovered near the above-referenced facility. An estimated 3050 barrels 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. GPS coordinates, legal description and driving directions are listed below.

32.7856 103.9196

Loco Hills SWD #1
Unit P Sec. 36
T17S R30E
660' FSL & 860' FEL
Eddy County, NM
API 30-015-31635

From Artesia, travel east to CR 222, and turn south. Travel 4 miles and turn west. Follow main lease road 1.5 miles and turn north. Road dead ends on location.

Michelle Mullins
Environmental Coordinator
COG Operating LLC
432-934-1052

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