

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

AUG 18 2014

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

RECEIVED

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

| | | | |
|-----------------|---|----------------|----------------|
| Name of Company | COG OPERATING LLC | Contact | Robert McNeill |
| Address | 600 West Illinois Avenue, Midland, TX 79701 | Telephone No. | 432-230-0077 |
| Facility Name: | Corazon State Unit #8H | Facility Type: | Battery |

| | | | |
|----------------------|----------------------|------------------|--------------|
| Surface Owner: State | Mineral Owner: State | Lease No. (API#) | 30-025-40950 |
|----------------------|----------------------|------------------|--------------|

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| B | 10 | 21S | 33E | 100 | North | 1980 | East | Lea |

Latitude 32.5002828 Longitude -103.5581909

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|-----------------------------|-------------------|----------------------------|------------------|
| Type of Release | Oil | Volume of Release | 30 bbls | Volume Recovered | 28 bbls |
| Source of Release | Gasket failure on heater treater | Date and Hour of Occurrence | 8/9/2014 5:30 pm | Date and Hour of Discovery | 8/9/2014 5:30 pm |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required | | | | |
| By Whom? | Amanda Trujillo | Date and Hour | 8/17/2014 8:00 pm | | |
| Was a Watercourse Reached? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

A gasket around the burner of the heater treater failed and caused the release. The issue was remediated by the replacement of the gasket and inspection of the fire tube.

Describe Area Affected and Cleanup Action Taken.*

The impacted area was approximately 80' x 100' and in a lined facility. A vacuum truck was dispatched to recover all standing fluids and the facility was cleaned and returned to its previous 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.

OIL CONSERVATION DIVISION

| | | | |
|-----------------|----------------------------------|----------------------------------|--------------------------|
| Signature: | | Approved by District Supervisor: | |
| Printed Name: | Amanda Trujillo | | |
| Title: | Senior Environmental Coordinator | Approval Date: | 8-19-14 |
| E-mail Address: | atrujillo@concho.com | Expiration Date: | |
| Date | August 17, 2014 | Conditions of Approval: | |
| Phone: | 575-748-6940 | Attached | <input type="checkbox"/> |

IRP-3248

* Attach Additional Sheets If Necessary

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