

3-27-06 incident, PRS
 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

Form C-141
 Revised October 10, 2003

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

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 Amended Report

Name of Company	COG Operating LLC	Contact	Diane Kuykendall
Address	550 W. Texas Ave., Suite 1300 Midland, TX 79701	Telephone No.	432-683-7443
Facility Name	Jalmat Yates Unit #31	Facility Type	Injection Well

Surface Owner	Clay Osborn	Mineral Owner		Lease No.	301048
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LOCATION OF RELEASE

API# 30025264090000

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
K	18	25S	37E	1650	South	1700	West	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Produced/Injection Water	Volume of Release	Unknown	Volume Recovered	+/-8 bbl from cellar
Source of Release	at the well	Date and Hour of Occurrence	2/13/05	Date and Hour of Discovery	

Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?
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By Whom?	Date and Hour
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Was a Watercourse Reached?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.
		Unkown

If a Watercourse was Impacted, Describe Fully.*
 Water ran across location and into an animal or snake hole, this was determined to be a watercourse by the OCD.

Describe Cause of Problem and Remedial Action Taken.*
 There was a hole in the tubing. Well SI until tubing is replaced.

Describe Area Affected and Cleanup Action Taken.*
 There was an area +/- 3' wide by +/- 60' long of produced water that ran to the edge of location. The leak then entered a snake or animal hole. COG has been unable to determine the actual volume of the release. Fulco Oil Services pumped cellar out w/vacuum truck . Pulled +/-8 bbls (cellar volume) out of the cellar. It is not known how much fluid was in the cellar prior to the leak. The affected area was raked and cleaned. No recovery on ground. RU & remove injection wellhead. Release pkr. NU BOP. POOH and repair tbg. TIH w/ tbg. RD BOP. Set packer. Flange up wellhead and resume injection.

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: Erick Nelson	Approved by District Supervisor:	
Title: Sr. Operations Engineer	Approval Date:	Expiration Date:
E-mail Address: enelson@conchoresources.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 3/15/06	Phone: 432-683-7443	

* Attach Additional Sheets If Necessary

incident - n PR50608646696
 application - p PAC 0609644553