

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

OPERATOR

AMENDED Initial Report Final Report

Name of Company	COG Operating LLC	Contact	Phyllis Edwards
Address	550 W. Texas Ave, Ste 1300 Midland, TX 79701	Telephone No.	432-683-4340
Facility Name	Jalmat Yates Unit #7	Facility Type	Gas Well
Surface Owner	Mineral Owner	Lease No. 301048	

LOCATION OF RELEASE API# 30025097470000

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	12	25S	36E	990	South	1650	East	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	produced oil & water leak	Volume of Release	6 BO & 75 BW	Volume Recovered	1 BO & 5 BW
Source of Release	hole in flowline	Date and Hour of Occurrence	9/5/06 time unknown	Date and Hour of Discovery	9/5/06 apprx 3:00 PM
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Left message w/ Hobbs NMOCD			
By Whom?	COG employee Boyd Chesser	Date and Hour	3:00 PM 9/5/06		
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.*
Hole in flowline. Replace flow line.

Describe Area Affected and Cleanup Action Taken.*
Leak 1/4 mile SE of well toward battery. Leak ran along flowline (200' x 1') to edge of lease road (4' x 30'), then crossed road (850' x 1'). Repaired flowline leak. Picked up all standing fluids that could be recovered. Raked up oily dirt & piled up to be picked up & hauled off. Highlander Environmental will assess the leak area and will begin clean-up work the week of 9-18 to 9-22. Call Boyd Chesser w/ COG @ 432-557-5379 or Ike @ Highlander Environmental @ 432-425-3878.

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.

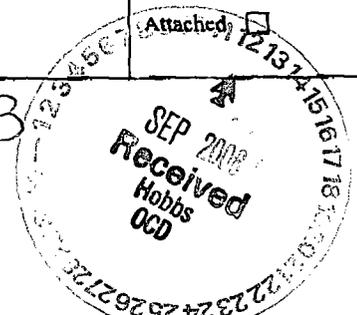
OIL CONSERVATION DIVISION

Signature: <i>Phyllis A. Edwards</i>	Approved by District Supervisor:	
Printed Name: Phyllis A. Edwards	Approval Date:	Expiration Date:
Title: Regulatory Analyst	Conditions of Approval:	
E-mail Address: pedwards@conchoresource.com	Date: 9/13/06 Phone: 432-685-4340	

* Attach Additional Sheets If Necessary

incident - n PAC0625645889
application p PAC0625646039

RP# 1033



State of New Mexico
Energy Minerals and Natural Resources

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Initial Report Final Report

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Address	550 W. Texas Ave, Ste 1300 Midland, TX 79701	Telephone No.	432-683-4340
Facility Name	Jalmat Yates Unit #7	Facility Type	Gas Well

Surface Owner	Mineral Owner	Lease No.	301048
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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
O	12	25S	36E	990	South	1650	East	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	produced oil & water leak	Volume of Release	2 BO & 25 BW	Volume Recovered	1 BO & 5 BW
Source of Release	hole in flowline	Date and Hour of Occurrence	9/5/06 time unknown	Date and Hour of Discovery	9/5/06 apprx 3:00 PM
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Left message w/ Hobbs NMOCD			
By Whom?	COG employee Boyd Chesser	Date and Hour 3:00 PM 9/5/06			
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.*

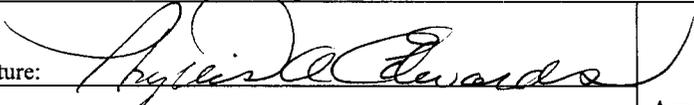
Describe Cause of Problem and Remedial Action Taken.*

Hole in flowline. Replace flow line.

Describe Area Affected and Cleanup Action Taken.*

Leak 3/4 mile SE of well toward battery. Leak ran along flowline (200' x 1') to edge of lease road (4' x 30'), then crossed road (15' x 1'). Repaired flowline leak. Picked up all standing fluids that could be recovered. Raked up oily dirt & piled up to be picked up & hauled off.

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:	Phyllis A. Edwards	Approved by District Supervisor:	
Title:	Regulatory Analyst	Approval Date:	Expiration Date:
E-mail Address:	pedwards@conchoresources.com	Conditions of Approval:	
Date:	9/6/06	Phone:	432-685-4340
		Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

*SAMPLE & REMEDIATION PLAN REQUIRED,
9.8.06*