

District I
1625 N. Francis 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 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 #12	Facility Type	Oil Well

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

API 3002 5097670000

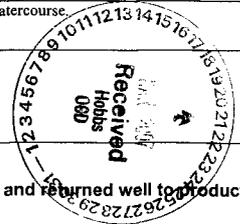
Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	13	25S	36E	330	North	330	East	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	produced oil & water leak	Volume of Release	3 BO & 15 BW	Volume Recovered	0 BO & 0 BW
Source of Release	flowline leak at the wellhead	Date and Hour of Occurrence	time unknown	Date and Hour of Discovery	3-18-07
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Gary Wink		
By Whom?	COG employee Boyd Chesser	Date and Hour	3-18-07		
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.*
Flowline leak at wellhead. Turn well off & stopped the leak. Repaired the flowline and returned well to production.

Describe Area Affected and Cleanup Action Taken.*
**Leak ran east of location 120' by 20', then ran another 150' by 5'.
On 3-19-07, COG dug out contaminated dirt and hauled to battery.
Highlander Environmental will assess the leak area and coordinate with the NMOCD.**

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>Phyllis A. Edwards</i>	OIL CONSERVATION DIVISION	
Printed Name:	Phyllis A. Edwards	Approved by District Supervisor:	<i>[Signature]</i>
Title:	Regulatory Analyst	Approval Date:	3.23.07
E-mail Address:	pedwards@conchoresources.com	Expiration Date:	6.23.07
Date:	3/19/07	Phone:	432-685-4340
Conditions of Approval:		Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

*incident - n PAC0708526353
application - n PAC0708526439*

RP 164