

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

DEC 12 2008

OCD-ARTESIA

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

NSEB0900254386 OPERATOR Initial Report Final Report

Name of Company COG OPERATING LLC	Contact Kanicia Carrillo
Address 550 W. Texas, Suite 1300 Midland, TX 79701	Telephone No. 432-685-4332
Facility Name - Aoudad State #1	Facility Type- Battery

Surface Owner BLM	Mineral Owner	Lease No.API# 30-015-32365
-------------------	---------------	----------------------------

30 015 32 365

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
E	36	17S	31E	2310	North	330	West	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release- Water	Volume of Release-60 bbls	Volume Recovered- 55bbls
Source of Release- 3" poly line	Date and Hour of Occurrence- 12/08/08- 2.30pm	Date and Hour of Discovery 12/08/08-2 30 pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher w/OCD	
By Whom? Kanicia Carrillo	Date and Hour December 8,2008, 4.56pm	
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.*
Leak on the 3" poly line Repaired poly line with new connections

Describe Area Affected and Cleanup Action Taken *
The area affected was 20' x 100' in the pasture. 200 yards SE of the #1 well. We have a vacuum truck on location and will remove any contaminated soil Tetra Tech will turn in soil samples and final report.

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	
	Approved by District Supervisor 	Remediation Actions to be completed and Final C-141 submitted with confirmation analyse./documentation on or before the Expiration Date
Printed Name Kanicia Carrillo	Approval Date. 1-2-09	Expiration Date: 3-2-09
Title Regulatory Analyst	Conditions of Approval	
E-mail Address. kandicarrillo@conchoresources.com	Attached <input checked="" type="checkbox"/>	
Date. 12/09/08 Phone 432-685-4332	Stipulations	

* Attach Additional Sheets If Necessary

2RP - 287



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



January 2, 2009

COG Operating LLC
550 West Texas, Suite 1300
Midland, TX 79701

RE: Aoudad State 001 30-015-32365
N-36-17S-31E Eddy County, New Mexico
2RP-287

Dear Operator:

This office is in receipt of your C-141 regarding the produced water release at this facility.

NMOCD Rule 19.15.3.116 NMAC states in part, "The responsible person must complete division approved corrective action for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with Section 19 of 19.15.1 NMAC."

A guide document intended to provide direction for remediation of soils and fresh waters contaminated as a result of leaks, spills, or releases of oilfield wastes and products is found on OCD's web site at the following link:
http://www.emnrd.state.nm.us/oecd/documents/7C_spill1.pdf

The following actions are **required** to be addressed in the **remediation plan**:

- Horizontal and vertical delineation of the spill by soil sampling. Delineation is required until contamination reaches background levels or a site specific acceptable level. Any constituent(s) of concern—to include but not limited to TPH, BTEX, and chlorides—are to be addressed in the delineation and remediation plan.
- Prepare a sketch of the site indicating where and at what depths the samples were taken.
- Submit laboratory results of sampling and the work plan proposal (plan) for remediation, removal and/or clean up of contaminants that may be present at the site.

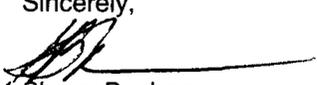
Notify the OCD **48** hours prior to obtaining samples where analyses of samples obtained are to be submitted to the OCD. Notification is to include date and time of sample event.

Within 30 days, **on or before February 2, 2009**, completion of a remediation work plan should be finalized and submitted to the Division summarizing all actions taken or to be taken to mitigate environmental damage related to the leak, spill or release for approval.

Please be advised that NMOCD acceptance and/or approval of documents or work plans 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 and/or approval of documents or work plans do not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

If I may be of further assistance with this matter or should you have any questions, please feel free to contact me.

Sincerely,



Sherry Bonham
NMOCD District II
575.748.1283 X109

