

RECEIVED FEB 05 2010

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

nmlb1004233399 OPERATOR Initial Report Final Report

Name of Company	COG Operating, LLC <i>229137</i>	Contact	Pat Ellis
Address	550 W. Texas, Suite 100 Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Aoudad State #8	Facility Type	Well (Flowline)
Surface Owner	State	Mineral Owner	Lease No. (API#) 30-015-32828

LOCATION OF RELEASE

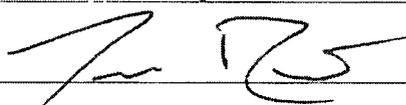
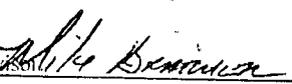
Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	36	17S	31E	330	N	1040	E	Eddy

Latitude 32.79225 Longitude 103.8233

NATURE OF RELEASE

Type of Release	Produced Fluid	Volume of Release	55bbls	Volume Recovered	50bbls
Source of Release	Flowline	Date and Hour of Occurrence	01/29/2010 1:00 p.m.	Date and Hour of Discovery	01/29/2010 3:00 p.m.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bratcher - OCD		
By Whom?	Rick Wright	Date and Hour	01/29/2010		
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.*					
A flowline ruptured and leaked, releasing produced fluids into the pasture. The ruptured flowline was immediately repaired					
Describe Area Affected and Cleanup Action Taken.*					
55bbls of produced fluid released into the area next to the ruptured flowline. A vacuum truck recovered 50bbls of produced fluid from the initial spill. One-call protocol will be made by dirt contractor who will then remove saturated soils prior to soil sampling by Tetra Tech. (The nearest location to the release is the COYOTE STATE #1 F-36-17S-31E 2310 FNL 1650 FWL 32 792027 . 103 826276). Tetra Tech will sample the spill site area to delineate any possible contamination from the release and we will present a remediation work plan to the NMOCD/BLM for your approval prior to any significant remediation					

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:	Josh Russo	Approved by	
Title:	HSE Coordinator	Approval Date:	FEB 11 2010 Expiration Date:
E-mail Address	jrusso@conchoresources.com	Conditions of Approval:	Attached <input checked="" type="checkbox"/>
Date:	02/02/2010	Phone:	432-212-2399

* Attach Additional Sheets If Necessary

REMEDATION per OCD Rules and
Guidelines. **SUBMIT REMEDIATION**
PROPOSAL BY: 3/11/2010

2RP-384

nmlb1004234174



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Jon Goldstein
Cabinet Secretary

Jim Noel
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



COG Operating, LLC
550 W. Texas Suite 100
Midland, TX 79701
ATTN: Josh Russo

February 11, 2010

Reference: Aoudad St. 008 API: 30-015-32828 A-36-17s-31e Eddy County, New Mexico

Operator,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of an initial report Form C-141 reporting a release of produced fluids at or near the above referenced well site. The release reportedly occurred on or about 1/29/2010. Please submit a corrective action work plan proposal (plan) for remediation, removal and/or clean up of contaminants that may be present at this site. The plan is to be formulated based on **vertical and horizontal delineation** of contamination, site ranking, and OCD rules, regulations and guidelines.

A publication is available to you on the OCD website to aid in formulation of this plan. The publication may be found as follows:

<http://www.emnrd.state.nm.us/ocd>

Click on each of the following items as they appear:

- Publications
- Environmental Handbook
- Miscellaneous Guidelines
- Remediation of Leaks, Spills and Releases

Please submit this plan to the OCD District 2 Office not later than March 11, 2010. Please include any remedial or clean up actions that may have been already performed.

Clean up/remediation requirements may be subject to other federal, state, local laws and/or regulations.

Sincerely,

Mike Bratcher
NMOCD District 2
1301 W. Grand Ave.
Artesia, NM 88210
575-748-1283 Ext.108
mike.bratcher@state.nm.us

2RP-384

