

RECEIVED

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

APR 30 2010

Form C-141
Revised October 10, 2003

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

HOBBSD

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	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	BC FEDERAL #1	Facility Type	Tank Battery A

Surface Owner	Federal	Mineral Owner	Lease No. NMLC 029405-A
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LOCATION OF RELEASE

APR 30 025 34733

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
C	20	17S	32E					Lea

Latitude 32 49.572 Longitude 103 47.526

WTR 150+

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	181bbls	Volume Recovered	180bbls
Source of Release	Water Tank	Date and Hour of Occurrence	04/20/2010	Date and Hour of Discovery	04/20/2010 4:00 a.m.

Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Larry Johnson - OCD Geoffrey Leking - OCD Trishia Bad Bear - BLM
By Whom?	Josh Russo	Date and Hour	04/20/2010 4:52 p.m.

Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
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If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
The cause of the release was due to an alarm system failure. The alarm transducer has been replaced.

Describe Area Affected and Cleanup Action Taken.*
181bbls of water was initially released from the water tank inside the tank batter. We were able to recover 180bbls of produced water. The fluid remained completely inside the firewalls of the tank battery and is located in the excavated area from the previous spill. (The estimated chloride content of this release is 110121.0 mg/l.) 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 approval prior to any significant remediation work.

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 District Supervisor	
Title:	HSE Coordinator	ENVIRONMENTAL ENGINEER	
E-mail Address:	jrusso@conchoresources.com	Approval Date:	4.30.10
Date:	04/28/2010	Expiration Date:	6.30.10
Phone:	432-212-2399	Conditions of Approval:	Attached <input type="checkbox"/>
		SUBMIT Final C-141 w/ dossier	
		IRP# 10.A.2499	

* Attach Additional Sheets If Necessary