

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

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	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	JC Federal Tank Battery	Facility Type	Tank Battery

Surface Owner	Federal	Mineral Owner		Lease No.	NMLC-02509-B
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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
F	22	17S	32E					Lea

Latitude 32.49.251 Longitude 103.45.328

WTR-50'

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	25bbls	Volume Recovered	20bbls
Source of Release	Water Tank	Date and Hour of Occurrence	05/16/2010	Date and Hour of Discovery	05/16/2010 6:00 p.m.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson - OCD Geoffrey Leking - OCD			
By Whom?	Josh Russo	Date and Hour	05/17/2010 5:53 p.m.		
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.*

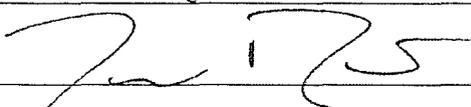
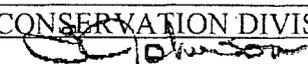
The cause of the problem was due to a power failure. The issue with the power has been corrected.

Describe Area Affected and Cleanup Action Taken.*

Initially 25bbls was release from a water tank and we were able to recover 20bbls with a vacuum truck. The spill was completely contained inside the tank battery firewall and the dimensions of the release were 3' x 10'. (The closest well location to the release is the JC FEDERAL #2, F-22-17S-32E, 2310 FNL 2310 FWL, 32.82096 - 103.75533, API# 30-025-34772) Tetra Tech will sample the spill site area to delineate any possible contamination from the release and we will submit a remediation work plan to the BLM/NMOCD for approval prior to any significant remediation work.

Chloride 113,000 mg/L

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 Environmental Engineer	
Title:	HSE Coordinator	Approval Date:	5-24-10
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	7-26-10
Date:	05/19/2010	Phone:	432-212-2399
		Conditions of Approval:	Attached <input type="checkbox"/>
		Submit Final C-141 w/ Docs by <u>IRP# 10.5.2539</u>	

* Attach Additional Sheets If Necessary

NLWST 101441972