

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

RECEIVED

MAK 25 2010
HOBBSCOCD

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

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 TANK BATTERY	Facility Type	Tank Battery

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

API 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

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	45bbbls	Volume Recovered	40bbbls
Source of Release	Transfer Pump	Date and Hour of Occurrence	03/13/2010	Date and Hour of Discovery	03/13/2010
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	03/15/2010 4:59 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 release was due to a power outage to the transfer pump. The power issue has been corrected.

Describe Area Affected and Cleanup Action Taken.*
45bbbls of produced water was initially released and the entire release was contained inside the dike walls of the tank battery. A vacuum truck was called and recovered 40bbbls of produced water. The contaminated dirt and gravel has been removed. 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.

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	 ENVIRONMENTAL ENGINEER	
Title:	HSE Coordinator	Approval Date:	3.26.10
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	5.26.10
Date:	03/18/2010	Phone:	432-212-2399
		Conditions of Approval: SUBMIT FINAL C.141 w/DOCS 1 ER # 10.3.2463	

* Attach Additional Sheets If Necessary

JLWJ 101 5834563
NCLWJ 015834563