

C-141

INITIAL &

FINAL

REPORT

APPROVED

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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**

**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	GC Federal #25	Facility Type	Well
Surface Owner	Federal	Mineral Owner	
		Lease No. NMNM-029405B (API#) 30-025-39263	

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	20	17S	32E	1855	South	275	East	Lea

Latitude 32 49.077 Longitude 103 46.860

**NATURE OF RELEASE**

Type of Release	Oil and Produced water	Volume of Release 30bbbls	Volume Recovered 20bbbls
Source of Release	Wellhead	Date and Hour of Occurrence	Date and Hour of Discovery
		11/01/2010	11/01/2010 10:00 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	
By Whom?	Josh Russo	Date and Hour	11/01/2010 1:56 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.\*

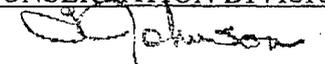
Describe Cause of Problem and Remedial Action Taken.\*

A wellhead nipple formed a hole on the GC Federal #25 and caused the release. The faulty wellhead nipple was replaced with a stainless steel nipple to prevent reoccurrence.

Describe Area Affected and Cleanup Action Taken.\*

Initially 30bbbls of oil and water was released from the wellhead due to the faulty nipple. We were able to recover 20bbbls of this fluid with a vacuum truck. All fluid from the released remained on the pad location around the wellhead. The dimensions of the spill area was 30' x 30'. The chloride content of any produced water in this release is 135,000 mg/l. We have removed any contaminated pad material during our emergency response action and it has been appropriately hauled off to disposal. The location has been back-dragged and returned to its former condition.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCDD 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 NMOCDD 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, NMOCDD 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:		<b>OIL CONSERVATION DIVISION</b>	
Printed Name:	Josh Russo	 Approved by District Supervisor	
Title:	HSE Coordinator	Approval Date:	11-2-10
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	—
Date:	11/02/2010	Phone:	432-212-2399
		Conditions of Approval:	Attached <input type="checkbox"/> IRP# 11.10.2640

\* Attach Additional Sheets If Necessary

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P L W J 1030656607