

RECEIVED JUL 16 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

30-015-31790

Release Notification and Corrective Action

NMLB 1030158102

OPERATOR  Initial Report  Final Report

Name of Company	COG OPERATING LLC 229137	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Beech Federal #2 Tank Battery	Facility Type	Tank Battery

Surface Owner	Federal	Mineral Owner		Lease No.	NMLC-058181
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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
J	25	17S	27E					Eddy

Latitude 32 48.140 Longitude 104 13.725

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	20bbls	Volume Recovered	23bbls
Source of Release	Heater Treater	Date and Hour of Occurrence	07/04/2010	Date and Hour of Discovery	07/04/2010 9:00 a.m.

Was Immediate Notice Given?  Yes  No  Not Required  
If YES, To Whom?

By Whom? Date and Hour

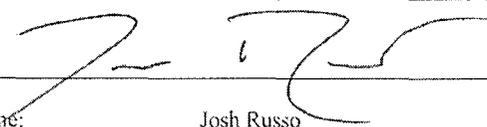
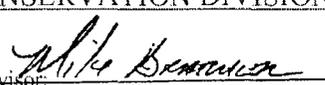
Was a Watercourse Reached?  Yes  No  
If YES, Volume Impacting the Watercourse.

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\*  
Heater treater fire tube gasket failed. The heater treater fire tube gasket has been replaced and the heater treater has been put back into service.

Describe Area Affected and Cleanup Action Taken.\*  
Initially 20bbls of produced water was released from the heater treater. Due to rainwater, we were able to recover 23bbls of free fluid from a low area where the fluid pooled behind the heater treater. All free fluids were recovered. The dimensions of the pooling area was 20' x 40'. All fluid was contained inside the firewall of the facility. (The closest well location to the release is the Beech Federal #2, API# 30-015-31790, Unit J, Sec. 25-T17S-R27E, 1650' FSL 1650' FEL, 32.8023065 - 104.229053). 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:		<u>OIL CONSERVATION DIVISION</u>	
Printed Name:	Josh Russo	Approved by District Supervisor:	
Title:	HSE Coordinator	Approval Date:	OCT 28 2010
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	
Date:	07/16/2010	Phone:	432-212-2399
		Conditions of Approval:	Remediation per NMOCD Rules & Guidelines
		Attached	<input type="checkbox"/>

\* Attach Additional Sheets If Necessary

Remediation proposal approved 10/28/10 2RP-453

**Bratcher, Mike, EMNRD**

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**From:** Joshua Russo [jrusso@conchoresources.com]  
**Sent:** Friday, July 16, 2010 9:07 AM  
**To:** Bratcher, Mike, EMNRD; james\_amos@nm.blm.gov  
**Cc:** Pat Ellis; Tavaréz, Ike  
**Subject:** Beech Federal #2 Tank Battery C-141 Initial Report  
**Attachments:** BEECH FEDERAL #2 TANK BATTERY -- DATE OF RELEASE -- 07-04-2010.PDF

Gentlemen,

Please find attached the C-141 Initial Report for the Beech Federal #2 Tank Battery. If you have any questions or concerns feel free to contact me.

Thank you,

**Joshua Russo**

HSE Coordinator  
550 W. Texas Ave, Suite 100  
Midland, Texas 79701  
Phone: (432) 683-7443  
Cell: (432) 212-2399  
[jrusso@conchoresources.com](mailto:jrusso@conchoresources.com)



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