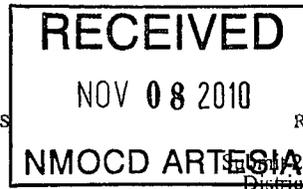


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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
Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

nMUB 1031240514

OPERATOR Initial Report Final Report

Name of Company	COG OPERATING LLC <i>229137</i>	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	F.U.N. State #1H	Facility Type	Tank Battery

Surface Owner	State	Mineral Owner	Lease No. (API#) 30-015-37879
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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
A	30	26S	28E	800	North	330	East	Eddy

Latitude 32 01.143 Longitude 104 07.132

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	20bbbls	Volume Recovered	20bbbls
Source of Release	Water tank	Date and Hour of Occurrence	10/26/2010	Date and Hour of Discovery	10/26/2010 6:00 a.m.
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?		Date and Hour			
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 natural gas water pump did not start, causing the water tank to overflow. Had mechanic check pump. Removed valve handle on supply gas valve to prevent accidental adjustment.

Describe Area Affected and Cleanup Action Taken.*

Initially 20bbbls was released from the water tank and we were able to recover all 20bbbls with a vacuum truck. All fluid was contained inside the facility firewall which is lined with 40 mil plastic. Any contaminated gravel has been removed and clean gravel has been added as necessary. We will follow up with a C-141 Final Report.

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		Approval Date: NOV 08 2010	Expiration Date: N/A
E-mail Address: jrusso@conchoresources.com		Conditions of Approval: <i>Submit Final Report C-141</i>	Attached <input type="checkbox"/>
Date: 11/03/2010	Phone: 432-212-2399		

* Attach Additional Sheets If Necessary

2 RP-465

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@conchoresources.com]
Sent: Monday, November 08, 2010 8:11 AM
To: Bratcher, Mike, EMNRD
Cc: Pat Ellis
Subject: C-141 Initial Report - FUN STATE #1H
Attachments: FUN STATE #1H TANK BATTERY -- DATE OF RELEASE -- 10-26-2010.PDF

Mr. Bratcher,

Attached is the C-141 Initial Report for the FUN State #1H Tank Battery. We will follow up with a C-141 Final Report.

Joshua Russo

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



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