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AUG 31 2010
NMOCD ARTESIA

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

NMLB 1031450923

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 Red Lake Sand Unit #45	Facility Type Steel flowline

Surface Owner State	Mineral Owner	Lease No. (API#) 30-015-33198
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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
O	20	17S	28E					Eddy

Latitude 32 48.688 Longitude 104 11.678

NATURE OF RELEASE

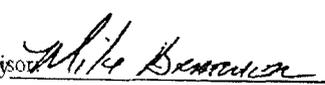
Type of Release Produced fluid	Volume of Release 10bbls	Volume Recovered 0bbls
Source of Release Steel flowline	Date and Hour of Occurrence 08/29/2010	Date and Hour of Discovery 08/29/2010 11:30 a.m.
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input 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.*
 A hole developed in the Red Lake Sand Unit #45 steel flowline due to corrosion. The steel flowline has been repaired and we are in the process of replacing all steel flowlines to poly flowlines.

Describe Area Affected and Cleanup Action Taken.*
 Initially 10bbls of produced fluid was released from the flowline and we were unable to recover any fluid with a vacuum truck. The dimensions of the spill area are 20' x 120' in the pasture directly adjacent to the ruptured flowline. (The closest well location to the release is the Red Lake Sand Unit #43, 330' FSL 1650' FNL, Unit O, Sec. 20-T17S-R28E, Eddy Co., NM, B-8435, API# 30-015-33196). 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 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:  Printed Name: Josh Russo Title: HSE Coordinator E-mail Address: jrusso@conchoresources.com Date: 08/31/2010 Phone: 432-212-2399	OIL CONSERVATION DIVISION Approved by District Signed By:  NOV 10 2010 Approval Date: Expiration Date: Conditions of Approval: REMEDIATION per OCD Rules and Guidelines. SUBMIT REMEDIATION PROPOSAL BY: 12/10/2010
Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

2RP-476

(1)

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@conchoresources.com]
Sent: Tuesday, August 31, 2010 9:41 AM
To: Bratcher, Mike, EMNRD
Cc: Pat Ellis; Tavarez, Ike
Subject: C-141 - Red Lake Sand Unit #45 flowline
Attachments: RED LAKE SAND UNIT #45 FLOWLINE -- DATE OF RELEASE -- 08-29-2010.PDF

Mr. Bratcher,

Please see attached the C-141 Initial Report for the Red Lake Sand Unit #45 flowline release that occurred on 08/29/2010.

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



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