

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	FEDERAL BI #1 SWD	Facility Type	SWD Facility
Surface Owner	Federal	Mineral Owner	
		Lease No.	NMLC-057210 (API#) 30-025-27068

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	28	17S	32E					LEA

Latitude 32.799583 Longitude 103.773617

NATURE OF RELEASE

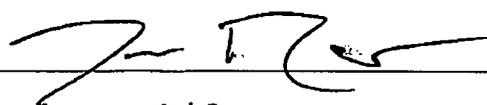
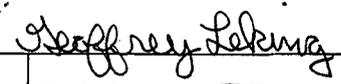
Type of Release	Oil	Volume of Release	24bbbls	Volume Recovered	23bbbls
Source of Release	Oil Tank	Date and Hour of Occurrence	02/25/2010	Date and Hour of Discovery	02/25/2010
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	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.*
An oil tank ran over due to a plugged equalizer line. The problem of the plugged equalizer line has been corrected.

Describe Area Affected and Cleanup Action Taken.*
All of the 24 bbls of oil that were initially released were contained inside the dike wall, which is lined with 40 mil plastic. A vacuum truck was called and recovered 23 bbls of oil. All saturated gravel has been removed and taken to appropriate disposal facility. Clean gravel has been added to the facility as necessary. The tank battery has been returned to its prior condition.

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 ENV. ENGINEER: District Supervisor:	
Title:	HSE Coordinator	Approval Date:	12/15/10 Expiration Date: —
E-mail Address:	jrusso@conchoresources.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date:	12/15/2010	Phone:	432-212-2399
		IRP-10-04-2486	

* Attach Additional Sheets If Necessary