

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

RECEIVED
DEC 15 2010
NMOCD ARTE

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

nMLB10351.36241 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.	423-230-0077
Facility Name	BISCUIT HILLS SWD #1	Facility Type	SWD Facility

Surface Owner	Federal	Minrcal Owner		Lease No.	NMLC-029395B (API#) 30-015-28142
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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	29	17S	31E	950	SOUTH	1980	EAST	Eddy

Latitude 32.80075 Longitude 103.889633

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	1822bbbs	Volume Recovered	1820bbbs
Source of Release	Pump	Date and Hour of Occurrence	02/25/2010	Date and Hour of Discovery	02/25/2010 2:00 p.m.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher-OCD Paul Evans-BLM			
By Whom?	Josh Russo	Date and Hour	02/26/2010	1:52 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.*

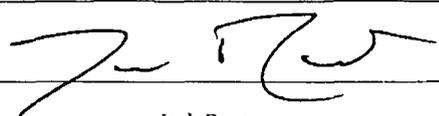
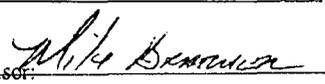
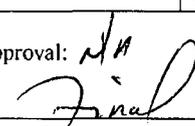
Describe Cause of Problem and Remedial Action Taken.*

A broken 1x4 swedge was the cause of the release. The broken swedge has been replaced with a new one.

Describe Area Affected and Cleanup Action Taken.*

The entire release of 1822 bbls was completely contained within the boundary of the dike wall, which is lined with 40 mil plastic. A vacuum truck was called and recovered 1820 bbls of fluid. All contaminated gravel has been removed from the dike and hauled to the appropriate disposal facility. Clean gravel has been added to the facility as necessary. The facility 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 District Supervisor:	
Title:	HSE Coordinator	Approval Date:	DEC 17 2010
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	NA
Date:	12/15/2010	Phone:	432-212-2399
		Conditions of Approval:	 Final
		Attached	<input type="checkbox"/>

* Attach Additional Sheets If Necessary

2 RP-500

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@conchoresources.com]
Sent: Wednesday, December 15, 2010 9:36 AM
To: Bratcher, Mike, EMNRD; terry_gregston@nm.blm.gov
Cc: Pat Ellis; james_amos@nm.blm.gov
Subject: C-141 Final Report - Biscuit Hills SWD #1 (lined facility)
Attachments: BISCUIT HILLS SWD #1 -- DATE OF RELEASE -- 02-25-2010.PDF

Please see attached the C-141 Final Report for a release that occurred on 02/25/2010 at the Biscuit Hills SWD.

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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