

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

JUL 25 2011

NMOCD ARTESIA

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 1122228231

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	Sagebrush Federal	Facility Type	Tank Battery
Surface Owner	Federal	Mineral Owner	
		Lease No. (API#)	30-015-33910

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	34	18S	27E					Eddy

Latitude 32 42.105 Longitude 104 15.876

NATURE OF RELEASE

Type of Release	Condensate	Volume of Release	217bbls	Volume Recovered	0bbls
Source of Release	Hole in bottom of tank	Date and Hour of Occurrence	07/11/2011	Date and Hour of Discovery	07/11/2011 6:00 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		
By Whom?	Josh Russo	Date and Hour	07/13/2011	10:18 a.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.*

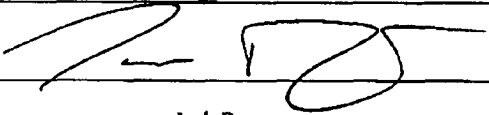
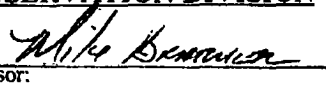
Describe Cause of Problem and Remedial Action Taken.*

A hole developed in the bottom of the oil tank causing the release of condensate. The tank has been taken out of service and will be switched with a new tank.

Describe Area Affected and Cleanup Action Taken.*

Initially 217bbls of condensate were released from the oil tank and we were unable to recover any fluid with a vacuum truck. The release area is located directly where the tank was sitting inside the tank battery. 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 BLM/NMOCD 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:		OIL CONSERVATION DIVISION	
Printed Name:	Josh Russo	Signed By  Approved by District Supervisor:	
Title:	HSE Coordinator	Approval Date:	AUG 10 2011
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	
Date:	07/25/2011	Phone:	432-212-2399
		Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

Remediation per OCD Rules &
Guidelines. **SUBMIT REMEDIATION
PROPOSAL NOT LATER THAN:**

2RP-818