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 22 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

nMLB1122450611

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	Chicken Hawk State #1	Facility Type	Tank Battery

Surface Owner State	Mineral Owner	Lease No. (API#) 30-015-33682

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	15	25S	28E					Eddy

Latitude 32 08.236 **Longitude** 104 04.079

NATURE OF RELEASE

Type of Release Produced fluid	Volume of Release 480bbls	Volume Recovered 460bbls
Source of Release Tank	Date and Hour of Occurrence ~~07/08/2011~~ 7/7/2011	Date and Hour of Discovery ~~07/08/2011~~ 11:00 a.m. 7/7/2011
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Mike Bratcher - OCD	
By Whom? Josh Russo	Date and Hour ~~07/21/2011~~ 8:31 p.m. 7/7/11 7:31P MOST	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

A flush of production caused an influx of fluid to the battery. The flush of production was due to a well being shut in for workover evaluation, and then being returned into production. Choke back the wells that have been shut in for a prolonged period of time until production returns to normal volumes.

Describe Area Affected and Cleanup Action Taken.*

Initially 480bbls of produced fluid was released from the tank and we were able to recover 460bls with a vacuum truck. We recovered roughly 110bbls of oil and 350bbls of produced water from the release. All free fluid has been recovered. The majority of the release was contained inside the facility walls with some reaching into the adjacent pasture area. Microblaze has been applied to the affected area in the pasture. Tetra Tech will sample the spill site area to delineate any possible contamination from the release and we will present a work plan to the 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 Mike Bratcher Approved by District Supervisor:
Title: HSE Coordinator	Approval Date: AUG 12 2011 Expiration Date:
E-mail Address: jrusso@conchoresources.com	Conditions of Approval: Attached ☐
Date: 07/21/2011 Phone: 432-212-2399	Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:** 9/12/2011

* Attach Additional Sheets If Necessary

2RP-842