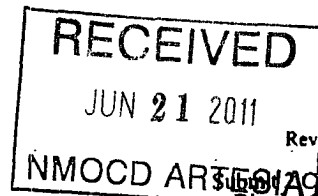


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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
Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

NMLB1122348831

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	COG OPERATING LLC 229/37	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Y Energy State	Facility Type	Tank Battery

Surface Owner	State	Mineral Owner	Lease No. (API#) 30-015-36033
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LOCATION OF RELEASE

Unit Letter L	Section 32	Township 18S	Range 30E	Feet from the	North/South Line	Feet from the	East/West Line	County Eddy
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Latitude 32 42.164 Longitude 103 59.980

NATURE OF RELEASE

Type of Release Produced water	Volume of Release 15bbls	Volume Recovered 13bbls
Source of Release Water tank load line	Date and Hour of Occurrence 06/07/2011	Date and Hour of Discovery 06/07/2011 8:00 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 load line causing produced water to be released inside the dike walls of the facility. The load line has been replaced.

Describe Area Affected and Cleanup Action Taken.*

Initially 15bbls of produced water was released from the load line and we were able to recover 13bbls with a vacuum truck. All fluid was contained inside the berm walls of the facility. All standing fluid has been removed and contaminated soil and gravel has been removed and hauled to disposal. Tetra Tech will sample the spill site area to delineate a possible contamination from the release and we will present a remediation 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	
Title: HSE Coordinator		Approved by District Supervisor:	
E-mail Address: jrusso@conchoresources.com		Approval Date: AUG 11 2011	Expiration Date:
Date: 06/21/2011 Phone: 432-212-2399		Conditions of Approval:	
		Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 9/11/2011	
		Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

JRP-831