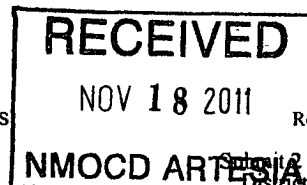


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

NMLB1133637925 OPERATOR ☒ Initial Report ☐ Final Report

Name of Company	COG OPERATING LLC <u>229/137</u>	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	SRO 103 State SWD	Facility Type	SWD Facility
Surface Owner	State	Mineral Owner	
		Lease No. (API#)	30-015-24462

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	17	26S	28E					Eddy

Latitude 32 02.232 Longitude 104 06.944

NATURE OF RELEASE

Type of Release	Oil, Produced water	Volume of Release	2bbls Oil, 1000bbls Produced water	Volume Recovered	2bbls Oil, 910bbls Produced water
Source of Release	Water tanks	Date and Hour of Occurrence	11/04/2011	Date and Hour of Discovery	11/04/2011 7:00 a.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	11/07/2011 9:16 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.*

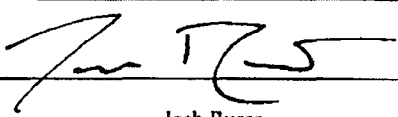
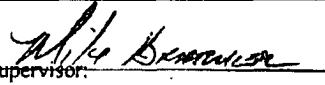
Describe Cause of Problem and Remedial Action Taken.*

SWD tanks ran over due to the pump being down. The electrician reported a bad sensor on the water tanks and a faulty relay panel. All problems have been corrected.

Describe Area Affected and Cleanup Action Taken.*

Initially 1000bbls of produced water and 2bbls of oil were released from the SWD tanks at the SRO 103 State SWD and we were able to recover 2bbls of oil and 910bbls of produced water with vacuum trucks. Most of the release was contained inside the berm walls of the facility. This facility is lined with a 40mil plastic liner. Some of the release spilled over the lined berm walls and streamed into the pasture. BBC will sample the spill site area in the pasture to delineate any possible contamination from the release.

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:	DEC 02 2011
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	
Date:	11/14/2011	Phone:	432-212-2399
		Conditions of Approval:	Attached <input type="checkbox"/>
		Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	

* Attach Additional Sheets If Necessary

1/2/2012

2RP-961