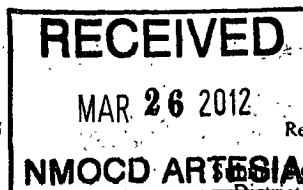


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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**

NMLB1209641725

**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	Big George State Tank Battery	Facility Type	Tank Battery

Surface Owner	State	Mineral Owner	Lease No. (API#) 30-015-26340
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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
J	12	17S	28E					Eddy

Latitude 32 50.852 Longitude 104 07.600

**NATURE OF RELEASE**

Type of Release	Produced water	Volume of Release	8bbls	Volume Recovered	7bbls
Source of Release	1/4" nipple on discharge side of water pump	Date and Hour of Occurrence	03/12/2012	Date and Hour of Discovery	03/12/2012 6:30 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.\*

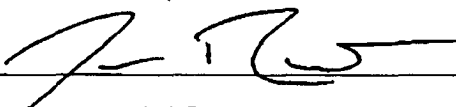
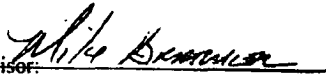
Describe Cause of Problem and Remedial Action Taken.\*

The 1/4" nipple on the discharge side of the water pump failed do to vibration and corrosion. The 1/4" nipple has been replaced.

Describe Area Affected and Cleanup Action Taken.\*

Initially 8bbls of produced water were released from the water pump and we were able to recover 7bbls with a vacuum truck. The spill area measured roughly 10' x 60' inside the tank battery with an area of overspray measuring roughly 30' x 50' on location outside of the tank battery. All free fluids have been picked up and the overspray area has been scraped with a backhoe. This spill area is identical to the spill from 07/27/2011. BBC will handle the remediation and closure of this release as well as the 07/27/2011 spill event.

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: 		<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Josh Russo		Approved by District Supervisor: 	
Title: HSE Coordinator		Approval Date: APR 05 2012	Expiration Date:
E-mail Address: jrusso@conchoresources.com		Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: <u>MAY 5, 2012</u>	Attached <input type="checkbox"/>
Date: 03/26/2012 Phone: 432-212-2399			

\* Attach Additional Sheets If Necessary

2RP-1079