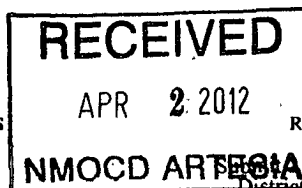


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

NMLB 12109 40060 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	Electra Federal #9	Facility Type	Flowline

Surface Owner	Federal	Mineral Owner		Lease No. (API#)	30-015-34721
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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
D	15	17S	30E					Eddy

Latitude 32 50.370 Longitude 103 57.911

NATURE OF RELEASE

Type of Release	Oil and Produced water	Volume of Release	7bbls oil 15bbls produced water	Volume Recovered	6bbls oil 14bbls produced water
Source of Release	Flowline	Date and Hour of Occurrence	03/22/2012	Date and Hour of Discovery	03/22/2012 8:50 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 a 2 7/8 steel flowline directly behind our Electra Federal North Tank Battery. The faulty section on flowline has been replaced with new steel line.

Describe Area Affected and Cleanup Action Taken.*

Initially 22bbls were released from the ruptured line and we were quickly able to recover 20bbls of fluid with a vacuum truck. The release area measures 10' x 60' outside of the Electra Federal North 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 NMOCD/BLM 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.

OIL CONSERVATION DIVISION

Signature:
Printed Name: Josh Russo

Signed By
Approved by District Supervisor:

Title: HSE Coordinator

Approval Date: APR 18 2012 Expiration Date:

E-mail Address: jrusso@conchoresources.com

Conditions of Approval:

Attached ☐

Date: 04/02/2012 Phone: 432-212-2399

* Attach Additional Sheets If Necessary

2RP-1095