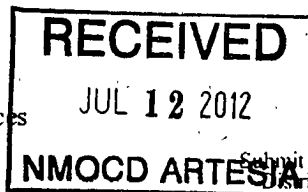


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

nJMW1219538987 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	SRO SWD #104	Facility Type	Salt Water Disposal

Surface Owner	State	Mineral Owner		Lease No. (API#)	30-015-25864
				Closest well location	

LOCATION OF RELEASE

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

Latitude 32 03.534 - Longitude 104 04.620

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	15bbls	Volume Recovered	14bbls
Source of Release	Check valve on transfer pump	Date and Hour of Occurrence	06/24/2012	Date and Hour of Discovery	06/24/2012 7:00 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 check valve on the transfer pump had a 1/4" plug that had rusted out allowing for the release of fluid. The plug has been replaced on the check valve.

Describe Area Affected and Cleanup Action Taken *

Initially roughly 15bbls were released and we were able to recover 14bbls with a vacuum truck. The entire release was completely contained inside the lined facility walls. We have removed any contaminated gravel from the facility and replaced it with fresh gravel. The facility has been returned to its prior condition.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC D 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 NMOC D 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, NMOC D 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		Approved by District Supervisor:	Signed By:
Title: HSE Coordinator	Approval Date: JUL 13 2012	Expiration Date:	
E-mail Address: jrusso@conchoresources.com	Conditions of Approval:	Attached <input type="checkbox"/>	
Date: 07/12/2012	Phone: 432-212-2399		

* Attach Additional Sheets If Necessary

Remediation per OCD Rules &
Guidelines. **SUBMIT REMEDIATION
PROPOSAL NOT LATER THAN:**

8/13/12

2RP-1225