

District I
1025 N. French Dr., Hobbs, NM 88240
District II
1001 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

RECEIVED

MAR 25 2011

Form C-141
Revised October 10, 2003

NMOCD ARTESIA
Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

7 KMW 1108 731535

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		Skelly Unit 942	Facility Type	Tank Battery
Surface Owner		Federal	Mineral Owner	
			Lease No. (API#)	30-015-43645 NMNM - 029419A

LOCATION OF RELEASE

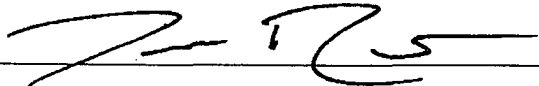

Unit Letter B	Section 22	Township 17S	Range 31E	Feet from the	North/South Line	Feet from the	East/West Line	County Eddy
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Latitude 32 49.510 Longitude 103 51.384

NATURE OF RELEASE

Type of Release	Oil	Volume of Release	15bbls	Volume Recovered	14bbls
Source of Release	Oil Tank	Date and Hour of Occurrence	03/20/2011	Date and Hour of Discovery	03/20/2011 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.*					
The oil tank ran over at the facility due to the lease being turned on after curtailment and rapidly increased production volumes. Return wells into production at a slower rate after a lease is shut in.					
Describe Area Affected and Cleanup Action Taken.*					
Initially 15bbls of oil was released from the oil tank and we were able to recover 14bbls with a vacuum truck. The spill was completely contained inside the berm walls of the facility. The dimensions of the spill area measured 20' x 20' next to the oil tank. 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		
Title:	HSE Coordinator		
E-mail Address:	jrusso@conchoresources.com		
Date:	03/25/2011	Phone:	432-212-2399
Approved by District Supervisor:			
Approval Date:		3/28/11	Expiration Date:
Conditions of Approval:		Attached <input type="checkbox"/>	
Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:		4/28/11	

* Attach Additional Sheets If Necessary

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