

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

RECEIVED

AUG 24 2011

NMOCD ARTEZIA

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

nMLB1125230955

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	Skelly 973	Facility Type	Tank Battery

Surface Owner	Federal	Mineral Owner		Lease No. (API#)	30-015-36283
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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
B	21	17S	31E					Eddy

Latitude 32 49.547 Longitude 103 52.419

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	300bbls	Volume Recovered	299bbls
Source of Release	4" nipple on filter pot	Date and Hour of Occurrence	08/12/2011	Date and Hour of Discovery	08/12/2011 6:30 p.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 Jim Amos-BLM		
By Whom?	Josh Russo	Date and Hour	08/16/2011 2:33 p.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.*

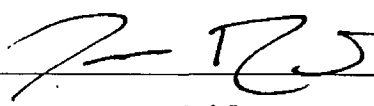
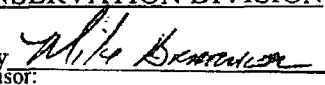
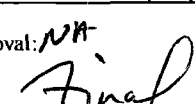
Describe Cause of Problem and Remedial Action Taken.*

A 4" nipple failed on the filter pot causing the release of fluid. All nipples have been replaced.

Describe Area Affected and Cleanup Action Taken.*

Initially 300bbls of fluid were released and we were able to recover 299bbls of produced water. The entire release was contained inside the facility dike walls. This facility is completely lined with 40mil plastic. Contaminated gravel has been removed from the facility. Clean gravel has been added as necessary. 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 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: SEP 09 2011	Expiration Date: NA
E-mail Address: jrusso@conchoresources.com	Conditions of Approval: NA 	Attached <input type="checkbox"/>
Date: 08/24/2011	Phone: 432-212-2399	

* Attach Additional Sheets If Necessary

2RP-880

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@concho.com]
Sent: Wednesday, August 24, 2011 10:23 AM
To: Bratcher, Mike, EMNRD; 'james_amos@nm.blm.gov'
Subject: C-141 Initial Report - Skelly 973 TB
Attachments: SKELLY 973 TANK BATTERY -- DATE OF RELEASE -- 08-12-2011.pdf

Gentlemen,

Please see attached the C-141 Initial Report for a release that occurred on 08/12/2011 at the Skelly 973 TB. This is a lined facility.

Thank you,

Joshua Russo

HSE Coordinator
550 W. Texas Ave, Suite 100
Midland, Texas 79701
Phone: (432) 683-7443
Cell: (432) 212-2399
jrusso@conchoresources.com



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Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@concho.com]
Sent: Tuesday, August 16, 2011 1:33 PM
To: Bratcher, Mike, EMNRD; 'james_amos@nm.blm.gov'
Subject: SKELLY #973 - Release Notification

Gentlemen,

Please see attached the detailed description of a release that occurred on 08/12/2011:

On 8-12-11 at 6:30pm, a 300bbl produced water spill was discovered at the Skelly#973 battery. A 4" nipple corroded and failed at the filter pot. All 300bbls was contained within the dike which is lined with 40mil plastic. The nipple was replaced and the battery returned to service. We were able to recover 299bbls of the released fluid. The gravel will be replaced as necessary and the liner will be cleaned. We will follow up with a C-141 Initial/Final Report.

GPS coordinates, legal description, and driving directions are below:

N32* 49.547' W103* 52.419'
Skelly #973
Sec.21, T17S, R31E
430'FNL 2435' FEL
Eddy co NM
API# 30-015-36283
Turn North on Sweetgum road, go 1 mile turn east .25 miles at Battery

Thank you,

Joshua Russo

HSE Coordinator
550 W. Texas Ave, Suite 100
Midland, Texas 79701
Phone: (432) 683-7443
Cell: (432) 212-2399
jrusso@conchoresources.com



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