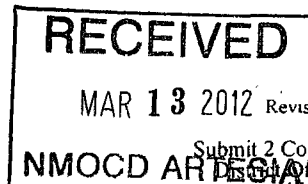


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

7MLB1208649804

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	Aoudad water transfer line	Facility Type	Water transfer line

Surface Owner	State	Mineral Owner		Lease No.	V-6248
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LOCATION OF RELEASE

Coyote St #1 30-015-32419

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	36	17S	31E					Eddy

Latitude 32 47.501 Longitude 103 49.553

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	15bbbls	Volume Recovered	13bbbls
Source of Release	Union on water transfer line	Date and Hour of Occurrence	03/05/2012	Date and Hour of Discovery	03/05/2012 9:45 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.*

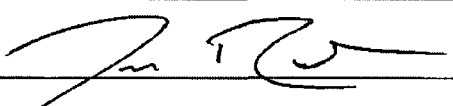
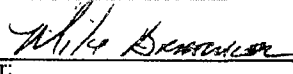
The union came apart on the Aoudad water transfer line. The union and nipples have been replaced.

Describe Area Affected and Cleanup Action Taken.*

Initially 15bbbls of produced water was released from the transfer line and we were able to recover 13bbbls with a vacuum truck. The spill was concentrated into two main areas, a 20' x 65' area, and a 20' x 25' area. The closest location to the release is the Coyote State #1 (API#) 30-015-36029. All fluids have been recovered. Tetra Tech will sample the spill site area to delineate any possible contamination from the release and we will submit a work plan to the NMOCD prior to any significant remediation work.

30-015-32419

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	
Title:	HSE Coordinator	Approved by District Supervisor:	
E-mail Address:	jrusso@conchoresources.com	Approval Date:	MAR 26 2012
Date:	03/12/2012	Expiration Date:	
Phone:	432-212-2399	Conditions of Approval:	Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 4/26/2012
		Attached	<input type="checkbox"/>

* Attach Additional Sheets If Necessary

2RP-1067

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@concho.com]
Sent: Tuesday, March 13, 2012 2:56 PM
To: Bratcher, Mike, EMNRD
Cc: Tavarez, Ike; Dorey, Kim; Franklin, Tom K.
Subject: C-141 - AOUDAD WATER TRANSFER LINE
Attachments: AOUDAD WATER TRANSFER LINE -- DATE OF RELEASE -- 03-05-2012.pdf

Mr. Bratcher,

Please see attached the C-141 Initial Report for a release that occurred on 03/05/2012. We will assess the spill area timely.

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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