

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
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 29 2012

NMOCD ARTESIA

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

NMLB 12265 49180

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	Hearse State Tank Battery	Facility Type	Tank Battery

Surface Owner	State	Mineral Owner		Lease No. (API#)	30-015-37927
				Closest well	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
E	36	19S	25E					Eddy

Latitude 32.6178 Longitude 104.4437

NATURE OF RELEASE

Type of Release	Oil and Produced Water	Volume of Release	30bbls oil 150bbls pw	Volume Recovered	30bbls oil 149bbls pw
Source of Release	4" line inside facility	Date and Hour of Occurrence	08/18/2012	Date and Hour of Discovery	08/18/2012 1:00 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		
By Whom?	Michelle Mullins	Date and Hour	08/19/2012 9:25 a.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.*


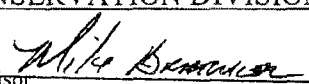
Describe Cause of Problem and Remedial Action Taken.*

A nipple on a 4" produced water line corroded inside the facility allowing the release of produced fluids. We have replaced all of the fittings inside the facility to prevent reoccurrence.

Describe Area Affected and Cleanup Action Taken.*

Initially 180bbls of produced fluid were released inside the lined facility at the Hearse State Tank Battery. We recovered 179bbls with a vacuum truck. All contaminated gravel has been removed from the facility and we have added clean gravel 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	Approved by District Supervisor:	Signed By: 
Title:	HSE Coordinator	Approval Date:	SEP 21 2012
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	N/A
Date:	08/29/2012	Conditions of Approval:	N/A
Phone:	432-212-2399	Attached	<input type="checkbox"/>

* Attach Additional Sheets If Necessary

2RA-1301

Bratcher, Mike, EMNRD

From: Joshua Russo <jrusso@concho.com>
Sent: Wednesday, August 29, 2012 12:44 PM
To: Bratcher, Mike, EMNRD
Subject: FW: C-141 Initial/Final Report - Hearse State Tank Battery
Attachments: Scanned from a Xerox multifunction device001.pdf

Mr. Bratcher,

Apparently the attachment didn't go through on the previous email. I have attached it again on this one.

Thank you,

Joshua Russo

HSE Coordinator
432.683.7443 (main)
432.685.4381 (direct)
432.212.2399 (cell)
jrusso@concho.com

Mailing Address:

One Concho Center
600 W. Illinios Avenue
Midland, Texas 79701



From: Joshua Russo
Sent: Wednesday, August 29, 2012 1:43 PM
To: Mike Bratcher (mike.bratcher@state.nm.us)
Subject: C-141 Initial/Final Report - Hearse State Tank Battery

Mr. Bratcher,

Please find attached a C-141 Initial/Final Report for a release that occurred on 08/18/2012. This spill occurred inside the lined facility.

Thank you,

Joshua Russo

HSE Coordinator
432.683.7443 (main)
432.685.4381 (direct)
432.212.2399 (cell)
jrusso@concho.com

Mailing Address:

One Concho Center
600 W. Illinios Avenue
Midland, Texas 79701



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Bratcher, Mike, EMNRD

From: Michelle Mullins <MMullins@concho.com>
Sent: Sunday, August 19, 2012 8:25 AM
To: Bratcher, Mike, EMNRD
Cc: Joshua Russo
Subject: Hearse State #1-Immediate Notification

Mr. Bratcher:

On 08/18/2012 at approximately 1:00 pm, a leak was discovered at the above-referenced battery. An estimated 180 bbls of produced water and oil was released with 179 bbls recovered by vacuum truck. All fluid was contained inside a 40 mil lined dike. The cause of the release was a hole in a nipple on a 4" line. The nipple has been replaced and the line returned to service. We will get more details and follow up with a C-141 Report.

GPS coordinates, legal description, and driving directions below.

N32.6178 W104.4437

Hearse State #1 (closest well location)

2310' FNL & 990' FWL
Sec. 36 T19S R25E
Eddy County, NM
API 30-015-37927

From Highway 285, turn west on CR 23. Travel approximately 1 mile. Turn south and travel .5 miles to battery.

Thank you.

Michelle Mullins
HSE Field Tech
2407 Pecos Avenue
P.O. Box 1630
Artesia, NM 88211-1630
Phone: (575)746-2010
Cell: (432) 934-1052
mmullins@conchoresources.com



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