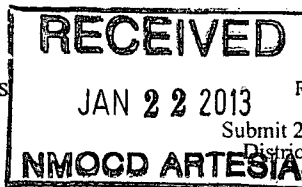


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

njm 1302351885

OPERATOR

☒ Initial Report ☐ Final Report

| | | | |
|-----------------|---|---------------|--------------|
| Name of Company | COG OPERATING LLC 229137 | Contact | Pat Ellis |
| Address | 600 West Illinois Avenue, Midland, TX 79701 | Telephone No. | 432-230-0077 |
| Facility Name | Burch Keely Unit #632 | Facility Type | Well pad |

| | | | | | |
|---------------|---------|---------------|--|------------------|--------------|
| Surface Owner | Federal | Mineral Owner | | Lease No. (API#) | 30-015-40327 |
|---------------|---------|---------------|--|------------------|--------------|

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| M | 24 | 17S | 29E | | | | | Eddy |

Latitude 32 48.855 Longitude 104 02.066

NATURE OF RELEASE

| | | | | | |
|--|---|---|------------|----------------------------|-----------------------|
| Type of Release | Produced water | Volume of Release | 40bbls | Volume Recovered | 35bbls |
| Source of Release | BKU #112 injection line | Date and Hour of Occurrence | 01/08/2013 | Date and Hour of Discovery | 01/08/2013 10:00 a.m. |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input 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.* | | | | | |
| Dean's Electric was drilling hole to set an electrical pole and hit a fiberglass injection line. The line has been replaced. | | | | | |
| Describe Area Affected and Cleanup Action Taken.* | | | | | |
| Initially 40bbls of produced water were released from the injection line and we were able to recover 35bbls with a vacuum truck. All free fluid has been recovered. The spill was contained on the well pad adjacent to where the injection line was hit in an area of 20' x 60'. Tetra Tech will sample the spill site area to delineate any possible contamination from the release and we will present a 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: | | Approved by District Supervisor: | | Signed By | |
| Printed Name: | Josh Russo | Approval Date: | | JAN 23 2013 | Expiration Date: |
| Title: | Senior Environmental Coordinator | Conditions of Approval: | | Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN: Feb. 23, 2013 | |
| E-mail Address: | jrusso@concho.com | Attached | | <input type="checkbox"/> | |
| Date: | 01/22/2013 | Phone: | | 432-212-2399 | |

* Attach Additional Sheets If Necessary

2RP-1524

Bratcher, Mike, EMNRD

From: Joshua Russo <jrusso@concho.com>
Sent: Tuesday, January 22, 2013 10:30 AM
To: Bratcher, Mike, EMNRD; James A Amos (jamos@blm.gov)
Cc: Ike Tavaréz (ike.tavaréz@tetrattech.com); Robert Grubbs; Tom Franklin (tom.k.franklin@tetrattech.com)
Subject: C-141 - Burch Keely Unit #632 Well Pad
Attachments: BURCH KEELY UNIT #632 WELL PAD -- DATE OF RELEASE -- 01-08-2013.pdf

Gentlemen,

Please see attached the C-141 Initial Report for a release that occurred on 01/08/2013 at our BKU #632 well pad. We plan to assess the spill area timely.

Thank you,

Joshua Russo

Sr. Environmental 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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