

1 RECEIVED APR 09 2010

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

NMB1029356140

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	COYOTE STATE #5	Facility Type	Well

Surface Owner	State	Mineral Owner	Lease No. V-6248 / (API#) 30-015-32563
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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
I	36	17S	31E	2310	South	400	East	EDDY

Latitude 32.78846 Longitude 103.81546

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	150bbls	Volume Recovered	140bbls
Source of Release	Produced water trunk-line	Date and Hour of Occurrence	03/27/2010	Date and Hour of Discovery	03/27/2010 8:30 a.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?	Rick Wright	Date and Hour	03/27/2010		
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.*

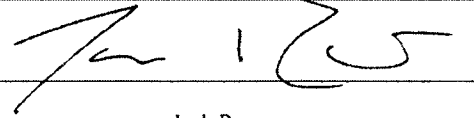
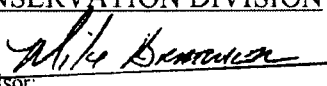
Describe Cause of Problem and Remedial Action Taken.*

The cause of the problem was due to a broken tee on a produced water trunk-line. The broken tee has been repaired.

Describe Area Affected and Cleanup Action Taken.*

Approximately 150bbls of produced water was initially released from the trunk-line between the Fox and Weasel Tank Batteries. A vacuum truck was called and recovered 140bbls. One-call protocol will be made by dirt contractor who will then remove the saturated soil prior to sampling by Tetra Tech. (The spill was from a trunk line from the Fox and Weasel Batteries and originated 450' south of the Coyote State #5 well) 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 for approval prior to any significant remediation.

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:	
Title:	HSE Coordinator	Approval Date:	OCT 20 2010
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	
Date:	04/05/2010	Phone:	432-212-2399
		Conditions of Approval:	Attached <input type="checkbox"/>
		Remediation plan in effect	

* Attach Additional Sheets If Necessary

NMB1029358206