

RECEIVED

JUN 30 2010

NMOCD ARTESIA

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

30-015-31899
MKMW 103564/1356

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	East High Lonesome Tank Battery	Facility Type	Tank Battery

Surface Owner	Federal	Mineral Owner		Lease No.	91-008663-A
---------------	---------	---------------	--	-----------	-------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	14	16S	39E					Eddy

Latitude 32 55.377 Longitude 104 02.391

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	200bbls	Volume Recovered	195bbls
Source of Release	Water Tank	Date and Hour of Occurrence	06/21/2010	Date and Hour of Discovery	06/21/2010 12:00 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?	Josh Russo	Date and Hour	06/22/2010 5:23 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.*

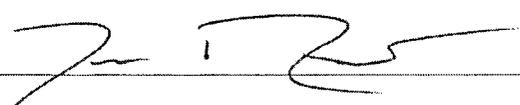
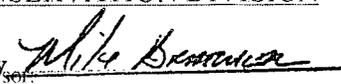
Describe Cause of Problem and Remedial Action Taken.*

The release was caused by a burned relay powering the Murphy tank level switch gauge. The problem was immediately corrected.

Describe Area Affected and Cleanup Action Taken.*

Initially we released 200bbls of produced water from the water tank, inside the unlined dike of the tank battery. All of the fluid from the released was contained within the firewalls. We were able to recover 195bbls with a vacuum truck. (The closest well location to the release is the High Lonesome Federal 26 Com. #1, Unit. A, Sec. 26-T16S-R29E, 660 FNL 1150 FEL, Eddy County, NM, NMNM-118710, API#30-015-31899) 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 BLM / NMOCD 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.

Signature:		OIL CONSERVATION DIVISION	
Printed Name:	Josh Russo	Approved by District Supervisor:	
Title:	HSE Coordinator	Approval Date:	11/6/2011
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	
Date:	06/23/2010	Phone:	432-212-2399
		Conditions of Approval:	Remediation per NMOCA Rules & Guidelines
		Attached	<input type="checkbox"/>

* Attach Additional Sheets If Necessary

2RP-519

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@conchoresources.com]
Sent: Wednesday, June 30, 2010 9:45 AM
To: Bratcher, Mike, EMNRD; james_amos@nm.blm.gov
Cc: Pat Ellis; Tavarez, Ike
Subject: C-141 Initial Report - East High Lonesome Tank Battery
Attachments: EAST HIGH LONESOME TANK BATTERY -- DATE OF RELEASE -- 06-21-2010.PDF

Gentlemen,

Please find attached the C-141 Initial Report for the East High Lonesome Tank Battery. If you have any questions or concerns do not hesitate to contact me.

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



CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@conchoresources.com]
Sent: Tuesday, June 22, 2010 4:23 PM
To: Bratcher, Mike, EMNRD
Cc: Pat Ellis; Tavarez, Ike
Subject: East High Lonesome Tank Battery -- immediate notification

Mr. Bratcher,

On 06/21/2010 at 12:00 p.m. we had a release at the East High Lonesome Federal Tank Battery. The release was caused by a burned relay powering the Murphy tank level switch gauge. We initially released 200bbls of produced water and were able to recover 195bbls with a vacuum truck. All of the produced water from the release was contained inside the unlined dike. We will follow up with a C-141 Initial Report within 15 days of the release.

Please see the legal description and GPS coordinates of the release site below:

East High Lonesome Federal Tank Battery
Sec. 14-T16S-R39E
Eddy County, NM
91-008663-A

32 55.377
104 02.391

Joshua Russo

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



CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.

Bratcher, Mike, EMNRD

From: Tavarez, Ike [Ike.Tavarez@tetrattech.com]
Sent: Monday, August 09, 2010 2:56 PM
To: Terry Gregston (terry_gregston@nm.blm.gov)
Cc: Bratcher, Mike, EMNRD; Pat Ellis; Reed, Timothy
Subject: COG - Sampling Notifications Eddy County, NM

COG - Beech Federal #2 Tank Battery
Section 25, T17S, R27E
Eddy County, New Mexico

COG - Berry A Federal #1 Well
Section 21, T17S, R30E
Eddy County, New Mexico

COG - East High Lonesome Tank Battery
Section 14, T16S, R39E Eddy County, New Mexico
Eddy County, NM

Terry,

Tetra Tech will be onsite to collect soil samples at the Beech Federal #2 Tank Battery on Tuesday (8-10-10). In addition, we will assess the Berry A Federal on Wednesday (8-11-10) and the East High Lonesome Tank Battery on Thursday (8-12-10). We will call you if we have delays or cancel due to weather. Based on the drilling assessment performed on the Spruce (1st spill), we will schedule the drilling rig to assess the 2nd spill. I will notify you when the rig is available, thanks

Ike Tavarez, PG | Senior Project Manager

Main: 432.682.4650 | Fax: 432.682.3946 | Cell: 432.425.3878

ike.Tavarez@tetrattech.com

Tetra Tech | Complex World. Clear Solutions™

1010 North Big Spring | Midland, TX 79705 | www.tetrattech.com

PLEASE NOTE: This message, including any attachments, may include privileged, confidential and/or inside information. Any distribution or use of this communication by anyone other than the intended recipient is strictly prohibited and may be unlawful. If you are not the intended recipient, please notify the sender by replying to this message and then delete it from your system.