

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

RECEIVED

MAR 25 2011

Form C-141  
Revised October 10, 2003

NMOCD ARTESIA  
Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

Release Notification and Corrective Action

*nkmw 1108731535*

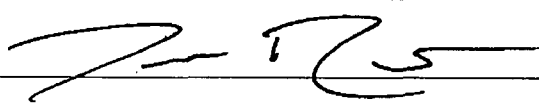

Name of Company		COG OPERATING LLC	229/37	Contact	Pat Ellis
Address		550 W. Texas, Suite 100, Midland, TX 79701		Telephone No.	432-230-0077
Facility Name		Skelly Unit 942		Facility Type	Tank Battery
Surface Owner		Federal		Mineral Owner	
				Lease No. (API#)	30-015-43645 NMNM - 029419A

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	22	17S	31E					Eddy

Latitude 32 49.510 Longitude 103 51.384

NATURE OF RELEASE

Type of Release	Oil	Volume of Release	15bbls	Volume Recovered	14bbls
Source of Release	Oil Tank	Date and Hour of Occurrence	03/20/2011	Date and Hour of Discovery	03/20/2011 7:00 a.m.
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required				
By Whom?	If YES, To Whom?				
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
If a Watercourse was Impacted, Describe Fully.*					
Describe Cause of Problem and Remedial Action Taken.*					
The oil tank ran over at the facility due to the lease being turned on after curtailment and rapidly increased production volumes. Return wells into production at a slower rate after a lease is shut in.					
Describe Area Affected and Cleanup Action Taken.*					
Initially 15bbls of oil was released from the oil tank and we were able to recover 14bbls with a vacuum truck. The spill was completely contained inside the berm walls of the facility. The dimensions of the spill area measured 20' x 20' next to the oil tank. 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 / 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.					
Signature: 		OIL CONSERVATION DIVISION			
Printed Name: Josh Russo		Approved by District Supervisor: 			
Title: HSE Coordinator		Approval Date: 3/28/11		Expiration Date:	
E-mail Address: jrusso@conchoresources.com		Conditions of Approval:		Attached <input type="checkbox"/>	
Date: 03/25/2011 Phone: 432-212-2399		Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 4/28/11			

\* Attach Additional Sheets If Necessary

2RP-666

**Bratcher, Mike, EMNRD**

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**From:** Joshua Russo [jrusso@conchoresources.com]  
**Sent:** Friday, March 25, 2011 10:21 AM  
**To:** Bratcher, Mike, EMNRD; terry\_gregston@nm.blm.gov  
**Cc:** Pat Ellis; james\_amos@nm.blm.gov; Tavaréz, Ike; Dorey, Kim; tom.k.franklin@tetrattech.com  
**Subject:** C-141 Initial Report - Skelly 942 TB  
**Attachments:** SKELLY UNIT 942 -- DATE OF RELEASE -- 02-20-2011.PDF

Please see attached the C-141 Initial Report for a release that occurred at the Skelly 942 Tank Battery on 03/20/2011.

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](mailto:jrusso@conchoresources.com)



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